

The Queen thrilled by China

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Shamir due to take over today after deal on Moda'i

By ROY ISACOWITZ and SARAH HONIG Post Political Staff

TEL AVIV — Likud leader Yitzhak Shamir is due to take office as prime minister today, pending resolution of the dispute between the Labour Party and the Likud over the future of former finance and justice minister Yitzhak Moda'i.

Shamir and outgoing Prime Minister Shimon Peres, who met Friday and will meet again this morning, are close to an agreement whereby Moda'i will join the government as minister-without-portfolio, Labour sources said last night. That solution had been promoted energetically over the past few days by Communications Minister Amnon Rubinstein.

It still has to be approved by the Labour cabinet ministers, who demanded after their previous meeting last Friday that Moda'i be excluded from the cabinet for the time being. The sources predicted that the ministers would accept the compromise, though unwillingly.

Shamir reportedly told Peres that he understood Labour's problems in having Moda'i return to a portfolio in which he would need to be in contact with Labour ministers. Despite that, Shamir insisted that he retain the right to appoint Likud ministers as he saw fit.

The dispute over Moda'i is the major obstacle to the establishment

of the Shamir government. Labour has received Likud's commitment on a few issues, such as its demands for cooperation on economic matters, while other demands, mainly concerning people and posts, will apparently be deferred until after rotation.

The Knesset has been convened for 3 p.m. today to debate the establishment of a second television channel "and other business." Shamir's submission of his government will fall into the latter category.

This morning's Shamir-Peres meeting will be followed by a meeting of the Labour ministers. If the proposed solution to the Moda'i dispute is approved—including by Moda'i himself—a joint Labour-Likud delegation will meet with President Herzog and propose that Shamir be charged with forming a government.

Liberal sources indicated to The Jerusalem Post that Moda'i may not be averse to returning without portfolio to the government for the time being, although this is certainly a demotion for him. The sources say that he prefers to put his foot in the cabinet door again and then play it from there. However, Moda'i himself was not available for comment last night.

Sources in both large parties referred last night to accusations within each party against its leader of having put on a mock fight with the other party, while the deal between them had been rigged in advance.

Summit fails over 'Star Wars' Leaders were near pact to destroy nuclear weapons



Gorbachev and Reagan meet with only their translators present.

(AFP)

By WALTER RUGBY Jerusalem Post Correspondent and agencies

WASHINGTON — President Reagan and Soviet leader Gorbachev ended their summit in disappointment over a dispute concerning the American "Star Wars" programme.

The two leaders meeting in Reykjavik, Iceland, were on the verge of an agreement Sunday to destroy all their offensive nuclear weapons over the next 10 years.

The disagreement involved the Soviets' insistence that research on the anti-missile system be confined to laboratory work. Reagan declared, "This we could not and will not do."

Gorbachev said that he made "very serious, unprecedented concessions and accepted compromises that are unprecedented." But he said there was a "rupture" over U.S. insistence on being allowed to test space weapons outside the laboratory, and "it would have taken a madman to accept that."

Reagan said the U.S. had made "the best offer ever" to the Soviets. Reagan, who returned to Washington late Sunday, scheduled a report to the American people last night from the White House.

The Iceland impasse was so complete that the leaders did not set a date for a third superpower meeting, and the future of arms control talks was left in doubt.

Gorbachev told reporters, "The Americans came to this meeting empty handed."

George Arbatov, head of Moscow's Institute for the U.S. and Canada and one of the most authoritative Soviet spokesmen attending the Reykjavik summit, said that despite the failure of the talks the Soviet leadership is "not despondent."

In comments to The Jerusalem Post after Reagan and Gorbachev announced failure of their two days of intensive negotiations, Arbatov added, "We feel (the meeting) was for us a no-lose situation. I think the results will make the case for disarmament stronger."

(Continued on back page)

It's back to zero on Jewish emigration now, say activists

By WALTER RUGBY

Jerusalem Post Correspondent REYKJAVIK — Jewish activists and relatives of refuseniks expressed disappointment at the failure of U.S.-Soviet talks, and at least one blamed the USSR for linking the emigration of Soviet Jews to the outcome of arms-cut talks.

Alexander Slepak, whose parents, Vladimir and Masha Slepak, were removed to be at the top of a list of long-term refuseniks whom U.S. negotiators urged their Soviet counterparts to free, told The Jerusalem Post: "I came to Reykjavik with the very strong feeling that I would be travelling from here to Vienna to meet my father coming out of the Soviet Union. Now, instead, we are back to ground zero, and will have to start again from scratch."

Asked if he blames President Reagan for not being willing to compromise on his Strategic Defence

Initiative to reach an agreement that might have increased emigration of Soviet Jews, Slepak responded, "No, I blame the Soviets, who scotch-tape human beings to missiles. They try to twist the Americans' arms by saying that if the U.S. won't accept the Soviet offer on nuclear arms, then it can forget about the people who have waited so long to leave. That is really barbaric."

Alexander Goldfarb, whose father David was also removed to be on the list of refuseniks for whose release the U.S. was pressing, commented: "I had every indication from American government sources that my father's name was at the top of their list. But now the whole package has fallen apart, and it is clear that he is tied to a failed package."

Goldfarb added, "My impression is that this leaves the Soviets in a very

strong position, and Reagan in a tighter one. Reagan will have trouble justifying his position with Congress and the American people. But Gorbachev has only one constituency to please — the KGB and the army."

Tatiana Godrov, head of public action for the Soviet Jewry Education and Information Centre, said, however, "In the short run things will be harder for Jews in the Soviet Union, and there will undoubtedly be new arrests. However, I think that given the Soviets' desperation to get rid of SDI, they will come running for new talks within a few months. It hurts very much that the cases for which we fought so hard were not solved, but in the long run freedom for Soviet Jews must be fought for from a position of power and in a comprehensive solution, and not by begging the Soviets."

(Continued on Page 2, Col. 2)

Both sides vow to work for arms-cut accord

ANALYSIS

REYKJAVIK (Reuter) — The Soviet-American summit in Iceland has ended in a psychologically damaging failure, but both sides say they want to pursue the search for the radical disarmament agreements that eluded them over the weekend.

The two days of talks between U.S. President Reagan and Soviet leader Mikhail Gorbachev left prospects for a proposed full-scale summit in Washington highly uncertain, although neither side ruled it out eventually.

A deeply rooted dispute over Reagan's plan for a "Star Wars" anti-missile system stymied far-reaching accords on strategic arms

and medium-range missiles that the two sides seemed on the brink of achieving.

But both Gorbachev and U.S. Secretary of State George Shultz said, as the summit broke up Sunday night after an unscheduled fourth session, that this should not be the end of the road.

"We'll return to Geneva and I suppose they (the Russians) will," Shultz said of the 19-month-old U.S.-Soviet talks in the Swiss city on nuclear and space arms.

(Continued on Page 2, Col. 6)

Former Dutch queen begins visit today

Jerusalem Post Reporter

Princess Juliana of the Netherlands and her husband Prince Bernhard are scheduled to arrive in Israel this afternoon on an eight-day visit as guests of the Jewish National Fund.

JNF head David Rivlin is to host a dinner in their honour this evening at the King David Hotel in Jerusalem. Tomorrow the royal couple is scheduled to travel to Galilee to dedicate a forest named for their

eldest daughter, Queen Beatrix. The forest was planted in an area designated as a forest preserve 60 years ago by the British Mandatory government.

During the course of their stay the Dutch royals are planning to visit Kibbutz Sede Nehemia near Kiryat Shmona. The kibbutz, settled in 1940 by Dutch immigrants, was named after Nehemia De Lima, who was president of the JNF in Holland during the 1920s and 1930s.

'He opened new era in ties with government'

Local Arabs are disturbed by Arens takeover from Weizman

By ELAINE RUTH FLETCHER Israeli Arab leaders have voiced regret over the imminent replacement of Ezer Weizman by Likud hardliner Moshe Arens in the ministerial post coordinating Arab affairs, and express concern about the policy changes that rotation may herald.

The leaders, interviewed last week, said there is a widespread feeling that the last two years have been the best for the Arabs of Israel, who now form 17 per cent of the population within the Green Line.

Weizman and his staff are credited with shaping what one leader called a "new era" of Arab-government relations.

"Even the extremists among us recognize now that this was the only government that dealt respectfully

with Arab Israelis and their problems," said Riad Kabha, mukhtar and former chairman of the Barta'a municipal council in the Triangle.

"In all the world there was no minister that dealt with the issues of Arab Israelis like Weizman," declared Ahmad Abu Asbah, deputy chairman of the Association of Local

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Authorities and a member of the national secretariat of the Arab Local Councils Association.

"There's no Jew who can come in place of Weizman who will possess the same positive positions or good intentions," Asbah added, saying he strenuously opposes Arens's appointment.

Arab leaders say that one of the biggest changes in the past two years has been in the level of access they have to government officials.

"The problems of Arabs were dealt with at a very high level," said Muhammad Ghanaim, chairman of the Saknin local council.

"We felt that Weizman entered the Arab house, to get to know us and our problems."

Prior to Weizman's tenure, many matters were funnelled through five district branches of the Arab Affairs Office, said Yosef Ginat, Weizman's senior assistant.

Those branches were closed, Ginat said, eliminating bureaucracy. Weizman, Ginat, and other top officials then went into the field to

(Continued on page 4)

Herzog and Peres urged to prevent the switch

By DAVID RUDGIE NAZARETH — The National Association of Arab Local Councils urged President Herzog and Premier Shimon Peres on Sunday to do all in their power to ensure Ezer Weizman remains minister for Arab affairs after the rotation.

The appeal by the heads of the 46 local councils — representing 600,000 Israeli Arabs — was wired to Herzog and Peres following a meeting to the association's secretariat.

Weizman had "acted with integrity and made a positive contribution to Arab-Jewish coexistence," the

telegram said. The Arab leaders said the work of Weizman and his adviser, Yosef Ginat, had opened a new chapter in the history of relations between the two communities.

He was the first minister since the establishment of the state to do more than give a sympathetic ear to the Israeli Arabs and their problems, it asserted.

"We believe that Weizman is the best and only minister for this job," said Assad Azaizeh, head of Dabouiyeh, near Nazareth, and a member of the association's secretariat.

Dutch premier and wife nab thieves after chase

ROTTERDAM, Netherlands (AP) — Dutch Premier Ruud Lubbers and his wife caught a pair of suspected burglars after a two-kilometre chase by car and on foot, police said yesterday.

The episode began Sunday afternoon when Ria Lubbers, the premier's wife, saw two men smashing a window of her car parked outside the couple's home, a police spokesman said.

After calling her husband, Mrs. Lubbers ran outside, followed by the premier. The two men, who were pulling the radio from the car, ran from the scene, the spokesman said.

Lubbers and his wife got into the car and after driving for a few minutes, saw the men running toward a golf course.

The 47-year-old premier, an avid field hockey player, left the car and chased the men through the rough along the course's ninth hole. The suspects were arrested at the golf course by police.

The suspects were being held on suspicion of burglary, the spokesman said.

Dutch premiers routinely live in private residences and are not always accompanied by security personnel.

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COPENHAGEN	9	11	14	Cloudy
FRANKFURT	6	8	11	Cloudy
GENEVA	11	13	17	Cloudy
HELSINKI	9	11	14	Cloudy
BONN	8	10	13	Cloudy
JOHANNESBURG	9	11	14	Cloudy
LONDON	12	14	18	Cloudy
MADRID	12	14	18	Cloudy
MONTREAL	5	7	10	Cloudy
NEW YORK	9	11	14	Cloudy
OSLO	8	10	13	Cloudy
PARIS	10	12	15	Cloudy
RIO DE JANEIRO	15	17	21	Cloudy
SAO PAULO	15	17	21	Cloudy
STOCKHOLM	10	12	15	Cloudy
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THE WEATHER

Forecast: rain possible in North and Central regions.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Max
Jerusalem	52	11-22	21
Golan	50	13-24	23
Nahariya	64	17-26	25
Safed	50	13-21	20
Haifa Port	58	18-28	28
Tiberias	55	16-31	30
Nazareth	52	15-25	24
Afula	52	16-28	27
Shomron	56	13-24	23
Tel Aviv	67	18-26	26
B-G Airport	59	16-26	25
Jericho	59	17-31	30
Gaza	68	18-27	26
Beer Sheva	45	14-27	26
Eilat	33	20-32	31

Birth

To Sarah and David Shoham, in New York, a boy, Harel Yosef. Grandson to Avigdor and Edith Shoham, Jerusalem. Pnina and Aaron Goldschlager, Ramat Gan.

Sixth Fleet's nuclear arms raise hackles

By YA'ACOV FRIEDLER

Jerusalem Post Reporter

HAIFA. — The flag ship of the U.S. Sixth Fleet, the guided missile cruiser USS Belknap with fleet commander Vice Admiral K.E. Moranville on board, is due here for a five-day visit this morning. It is to be joined by a battle group headed by the 30,000-ton aircraft carrier USS John F. Kennedy, for a five-day call, on Thursday.

This will be the first Sixth Fleet visit to Israel since last spring. Several interim visits were cancelled at the last moment due to the Libyan situation.

For the first time since the Sixth Fleet started visiting Haifa 30 years ago, a city councilman has voiced concern about possible nuclear radiation from nuclear warheads. U.S. policy is neither to confirm nor deny the presence of nuclear arms aboard ship.

The Jerusalem Post learned that Alignment councilman Nissim Shram asked the mayor whether the possibility of radioactive emission from the ships had been checked, and whether Haifa risks possible pollution.

He also asked if the "social impact" of thousands of foreign seamen in town had been studied.

Mayor Arye Gurel noted in his reply that Haifa welcomes the Sixth Fleet, and said that the danger of radioactivity falls under IDF jurisdiction.

As no danger had been registered in all these years, he did not believe the problem to be urgent. Moreover the Sixth Fleet had assured him that the ample safety arrangements on nuclear-powered ships preclude all risks of radioactive pollution.

As for the social impact, no serious study had been made, but the visits had had a very positive effect on Haifa and its economy, the mayor said.

'No Syrian threat, now'

TEL AVIV (Itim). — Chief of General Staff Rav-Aluf Moshe Levy said in a television interview last night that he sees no special cause for concern over what is happening on the Syrian border.

By its own admission, Levy said, Syria today is Israel's most extreme foe, both ideologically and in the actual upbuilding of its military capability. However, this is a matter that receives Israel's constant attention. Levy continued, irrespective of media declarations and publicity.

HOME AND FOREIGN NEWS

What Labour gave up to neutralize Moda'i

ANALYSIS

BENNY MORRIS

The Likud has apparently agreed to Yitzhak Moda'i's non-return to the Justice Ministry as Labour's price for allowing him back into the cabinet. He will be brought in this week or next as a much-humiliated minister without portfolio.

But to exact this "victory," Labour has given way in two important areas where, in the coming weeks and months, there is likely to be much friction between the two political blocs.

Labour appears to have conceded to Minister without Portfolio Moshe Arens the supervision of policy in the sensitive fields of Israeli Arab affairs and Israel's efforts on behalf of Soviet Jewry.

Israeli Arabs suspect that under Arens their fortunes are likely to take a battering.

During the last two years, Minister without Portfolio Weizman and his assistant, Yosef Ginat, with easy access to prime minister Peres, succeeded in changing the attitude to

the Israeli government of the Arab man-in-the-street. They may well have stemmed the tide of radicalization among Israeli Arabs and gained votes for Labour.

While it is possible that Arens may show a degree of benevolence as a means of winning over some of the Arab electorate to the Likud, it is likely that his views and grassroots Likud pressure will prevent him from carrying on with the Weizman-Ginat line.

A second major source of friction is likely to stem from Arens's expected appointment as

minister responsible for Israel's policy towards Soviet Jewry.

Arens's attitude toward the Soviets is totally at odds with those of the Foreign Ministry professionals, who have dealt with the matter for years and recently ruled against Natan Sharansky's participation as a member of Israel's delegation to the current UN General Assembly session.

Arens has served notice that he will unforgivingly pursue a hard line with the Soviet Union. At the time of the Israeli-Soviet talks in Helsinki last August, Arens, lining up with Sharansky, publicly and in the cabinet declared that Israel must agree to no talks with the Soviets and certainly to no agreement on any level of ties until Moscow agrees to radically change its policy on Soviet Jewish emigration.

It is possible that his and others hardline

pronouncements in this context at the time helped persuade Moscow to withdraw its feelers regarding the possible establishment of consular ties between the two states.

If this episode is anything to judge by — and Arens has given no reason for anyone to believe that his position of "linkage" regarding Soviet ties and Jews has changed — then we can expect major Labour-Likud clashes each time the Soviet issue comes up for discussion, be it in connection with bilateral talks, Soviet participation in an international conference or the issue of Soviet Jewry.

If premier-designate Shamir and the Likud have their way, and Arens indeed gets control of these two important fields of policy-making, Labour can expect a difficult time in the coming two years, marked by a continuous chain of crises. One can only wonder at the ease with which Labour apparently has surrendered these two vital fields to Likud control.

Peres backs proposal for Ikrit, Birim

By BENNY MORRIS

Post Diplomatic Correspondent
Prime Minister Peres has expressed support for the recommendations of the Ginat committee on the future of the uprooted villagers of Ikrit and Birim in Galilee, and the relevant ministers, who have received copies of the Ginat report, are expected to rule on the recommendations in the coming days.

The committee headed by Yosef Ginat, Minister without Portfolio Ezer Weizman's assistant on Arab affairs, has recommended that the 2,500 villagers and their descendants be offered the option of receiving "substantial" compensation — sufficient to finance a flat or house — or of being resettled in a new Arab village to be set up near the abandoned site of Birim.

The villagers of Ikrit and Birim were ordered by the IDF in November 1948 to leave their homes on the understanding that they would be allowed back once the security situation improved. But they were never allowed to return, the villages were destroyed and the exiles took up what they regarded as temporary quarters in Jish, Rama and Haifa.

Almost all the lands of the two Christian villages were distributed among Jewish settlements, which had ruled out the possibility of a solution based on resettlement on the two sites.

Among the recommendations of the Ginat report are that the villagers be allowed to retain a "religious connection" with their original sites — meaning that the churches would be restored; that they be allowed to celebrate their holidays at the sites; and that they be allowed to bury their dead in the villages' graveyards.

Sarid on Arab rights

TEL AVIV. — MK Yossi Sarid (Citizens Rights Movement) over the weekend said that his faction would not join any government which did not guarantee full and equal rights for Israel's Arab citizens.

Reacting to the reportage on Uman el-Fahm broadcast on TV's Mabat news programme on Friday night, Sarid said that the suffering it depicted was the Arabs', but the disgrace was the Jews'.

Nation marks holy day

Jerusalem Post Reporter

The nation observed Yom Kippur yesterday in comfortable weather that helped facilitate the fast of the worshippers.

No violent crimes were reported during or immediately following the holiday, criminals apparently having also taken the day off.

Youngsters in Or Akiva, pursuing a custom of previous years, gathered at the entrance to the town on the old road to Haifa and threw stones at passing vehicles. A couple from the Arab village of Arara required medical treatment after their car was hit.

On the whole, the passage of ambulances went unimpeded, with only four cases of obstruction reported. Seventy-five people fainted in synagogues throughout the country and were taken for treatment by

Magen David Adom. Ninety-five women in labour were rushed to delivery wards, and 90 children were injured while riding their bicycles.

Jerusalem police prevented about 100 members of the Faithful of the Temple Mount from entering the area and praying there, a movement spokesman said.

In Tel Aviv, a pirate radio station broadcast "special Yom Kippur programmes." Israel TV news reported last night.

In Eilat, a man in his early 30s was shot in his flat last night shortly after 9 p.m. and was critically wounded by at least two bullets in his stomach and chest.

The police arrived on the scene shortly after the shooting and arrested two men and two women, all in their 20s.

Settlers confront soldiers in Nablus

Jerusalem Post Reporter

Some 70 West Bank settlers who attempted unsuccessfully to break through the military cordon surrounding Joseph's Tomb in Nablus spent Yom Kippur fasting and praying outside the fenced-off area.

Men, women and children who arrived at the site only a few minutes before the commencement of the holiday had an angry confrontation with soldiers, who denied them access.

In previous years, settlers had been permitted to pray at the site during the High Holydays, but not to sleep there. This year on Rosh Hashana, they violated standing agreements by sleeping at the site. Disturbances broke out when military authorities ordered them to leave.

The settlers argued that when Moshe Arens was defence minister he had allowed them to sleep alongside the tomb twice a year. The claim has been denied by the Defence Ministry.

Angered by the Rosh Hashana incident, Defence Minister Rabin gave orders that the settlers were to be kept away from Joseph's Tomb on Yom Kippur.

'They should call this Bicycle Day'

At around 4 p.m. on the eve of Yom Kippur there was a sudden awareness of the quiet.

And then a sound: Kids, first-graders and teens; adults, parents with babies, grandparents; all travelling. In packs, in gangs, in swarms and flocks, revving their bicycles like racing cars in their minds, on long rides, distant rides, ultimate rides, to provinces far on the other side of the city from their neighbourhood.

"I don't have time now," shouted Menachem the bicycle man that morning to a regular customer who stopped by seeking a fine adjustment. Menachem's shop was overrun with kids and parents getting new bicycles, getting old bicycles repaired. They caused a traffic jam on Marmorek as they spilled out of the shop, onto the sidewalk, the bicycles all flashes of reflected sunlight off the aluminium.

"It's my biggest day of the year," he explained. "Yom Kippur is to me what Pessah is for a matza dealer."

"They should call this Bicycle Day, or better, Children's Day," shouted one kid on a bike to another as they did lazy figure-eight alternating with sprinting dashes to beat traffic lights that signalled to no car on Ibn Gvirol.

Some spend the night in prayer, conducting a soulful arithmetic that can't be computerized.

Synagogues suddenly appear in first-floor apartments, recognizable because of the small crowds that knot in groups outside while from inside one can hear the cantor and the hum of prayer.

Others convene for an evening of

quiet conversation. There are poker games in some apartments. Elsewhere, some deliberately feast.

A group of establishment types — a couple of judges, a few retired generals, a journalist or two, all neighbours in an old part of the city, have gathered for years at someone's flat for their version of the Council of Tora Sages. They talk about "the situation" and gossip and wonder what has become of the Israel they knew. The Israel they wanted.

And on the streets, there are the bicyclists.

Kids from Jaffa make their way as far north as Neveh Avivim. Kids

from Ramat Aviv speed southward to Jaffa. Dizengoff is a collage of skaters and bikers, hikers and strollers. This year's much-publicized warnings from the Herzliya rabbis, who said bicycling is as bad as driving on Yom Kippur, didn't prevent hordes of bikers pouring out of Herzliya for trips to Tel Aviv, the beach, the countryside.

"We're on our way to the Cinema," a kid on a bicycle shouts out to an elderly woman with a Civil Guard arm band outside a synagogue, who tries to shush the gang as it pedals by. She carries a rifle almost as long as herself.

She tries to threaten a group of kids who gather on the corner and tries to flag down a passing police

van. But the driver simply waves back at her and slowly drives past.

"Which way is it?" demands the kid on the bike, and a young man strolling by with his wife and baby points down Carlebach.

"We've come all the way from Herzliya!" shouts the boy, maybe a sixth-grader, definitely proud of the distance he has travelled that night and absolutely uncaring about what he will find at the discotheque, which is unable to open until it straightens out its licensing problems.

There were no vehicles on the streets of downtown Tel Aviv on Kol Nidre night, except for slow-moving Civil Guard vans and occasional ambulances, which would suddenly flick on sirens and momentarily sweep the streets clear of the bicyclists.

There were thousands of bicycle riders.

Gangs stopped in the middle of the highway to compare tire widths, to plan trips.

Like swallows gathering into huge flocks, small groups of cyclists joined with other groups, until they formed packs of 30 or 40 or 50 or more, pedalling along empty roads.

At 9 p.m., there was a large crowd gathered on top of what was once known as Kikar Zina, named for the wife of the first mayor of Tel Aviv. Nowadays, Agam Circus is more appropriate.

The crowd sat on the lip of the pool, and on the cement benches that surrounded the sculpture. A few tourists were there, not quite understanding what had happened to the nightlife of the city. A lot of pension-

ers, speaking Eastern European languages.

And the children. Everywhere, children on wheels.

A three-year-old, his knuckles white on the handlebars of his tricycle, pedalled furiously up and down Dizengoff, the look on his face as intent as a Grand Prix racer's. His parents sat at a sidewalk table outside one of the closed humous stands in the stretch of Dizengoff which ordinarily is devoted to walk-as-you-eat fast food.

By midnight, the streets were almost empty, but with the street lamps and traffic lights working, it wasn't a city under curfew. It was a city deserted except for the few still strolling.

"Wazzamatter, wazzamatter, can't you walk past somebody sleeping without talking?" snorted the man under a pile of blankets on a park bench on one of the city boulevards. He was using a plastic jug as a pillow.

Four benches away, two young women held a conversation that appeared important because of the way they held their bodies, leaning forward one toward the other.

CORRECTION

An October 3 article on the appointment of Hebron's new mayor attributed a statement to a local dentist named Dr. Ja'abari. The Jerusalem Post has been informed by two Hebron dentists, Dr. Daoud Ja'abari and Dr. Nabil Ja'abari, that they were neither interviewed nor made the remarks. The Post regrets the attribution.

BOTH SIDES VOW

(Continued from Page One)

Gorbachev said the Soviet people's all remained on the table. "This meeting has brought us to the point where accords are possible," he said.

Both sides tried to put the best face on their disagreement, but they spoke as though the Washington summit had receded well into the future.

"We were very close to historical agreements that would have moved the world far away from the threat of nuclear war," Gorbachev told a news conference in Reykjavik Sunday night, chopping at the air with his hand to underline his points.

"But the U.S. came to this summit with empty hands, with empty pockets," he added.

Behind the rhetoric, it was clear that Gorbachev had insisted on stringent restrictions on the development of SDI as a condition for any other agreements, and Reagan had refused to budge at all on his insistence on continuing the "Star Wars" programme.

Gorbachev said, "Only a madman could accept" the U.S. position on "Star Wars."

The Soviet leader said he did not rule out going to Washington at some stage, but gave no indication when. The two leaders agreed at their first summit in Geneva last year that after Gorbachev's visit to the U.S. this year, Reagan would go to Moscow in 1987.

'For Jews only' company cannot be prosecuted

By MENACHEM SHALEV

Jerusalem Post Reporter

Attorney-General Yosef Harish has informed MK Yair Tzaban (Mapam) that under the current provisions of the law, he cannot prosecute a company whose advert for workers stipulated "for Jews only."

Tzaban had asked Harish if the directors of "Bimbad Yirmi and Sons," of Tel Aviv, could be prosecuted for placing such an advertisement in the Hebrew newspapers two months ago.

In his reply, Harish noted that the Employment Service Law, which forbids discrimination in hiring of workers based on "age, sex, race, nationality, religion, outlook or party affiliation," applied only to work-

ers referred by the Employment Service itself. Harish wrote that while the Bimbad advertisement evoked "distress and revulsion," he was powerless to act against the company's directors of the company.

Tzaban says that Harish's reply "exposes the naked impotence" of the recently adopted anti-racism law. That law, says Tzaban, only prohibits "incitement to racism," but not manifestations of racism as exemplified in this particular advertisement.

Tzaban and Mapam plan to ask the Knesset to introduce amend the anti-racism law and the Employment Service Law to make job discrimination on the basis of race an offence liable to prosecution.

With profound grief, we mourn the death of our dear friend

Nahum Leon Freidless.

We share the sorrow of the family.

Kibbutz Galon

My dear husband,

Nahum Leon Freidless,

has left us forever.

The funeral will be held today, Tuesday, October 14, 1986 at 3 p.m. in Kibbutz Galon.

Miriam Freidless

With profound grief we announce the passing of our dear

EVA GRAJOWER

The funeral will take place today, Tuesday, October 14, 1986, at 1.00 p.m., at Herzliya cemetery.

The bereaved:
Her daughter and son-in-law —
Nina and Eric Meyer
Her grandchildren and great-granddaughter

With deep sorrow we announce the passing of our beloved mother and grandmother, the noble woman

VITA WEINTRAUB

née Zeisler
of Montreal, Canada.

The coffin will arrive on El Al Flight 1004, today Tuesday, October 14, 1986 at 5 p.m. The funeral will leave at 7:30 p.m. from the plaza at the Har Hamenuhot cemetery, Givat Shaul, Jerusalem, for burial in the same cemetery.

The Bereaved Family

With great sorrow we announce the death of our beloved

AARON PELZ

The funeral will take place today, Tuesday, October 14, 1986, Tishrei 11, 5747, at 3:30 p.m., at the new cemetery in Ramat Hasharon, Morasha junction.

The Family

Ministry of Education and Culture
Oriental Jewish Heritage Centre
International Cultural Centre for Youth
Sheraton Hotel
Tel Aviv
Israel Broadcasting Authority
Kol Israel

present

"My Father's House" Succa — in the tradition of Israel's communities

During the Succot holiday a huge succa will be erected, in the tradition of Israel's communities, at the Sheraton Hotel Pavilion, Rehov Hayarkon, Tel Aviv. Each evening there will be a live broadcast including interviews and an entertainment programme presenting the ethnic flavour of the Succot holiday in "My Father's House."

SATURDAY evening, first day of succot — succa in the tradition of Moroccan Jewry
SUNDAY, first day of hol hamo'ed — succa in the tradition of Ashkenazi Jewry
MONDAY, second day of hol hamo'ed — succa in the tradition of Yemenite Jewry
TUESDAY, third day of hol hamo'ed — succa in the tradition of Iraqi Jewry
WEDNESDAY, fourth day of hol hamo'ed — succa in the tradition of Iranian Jewry
THURSDAY, fifth day of hol hamo'ed — succa in the tradition of Kurdish Jewry

Participating in the live broadcasts will be ministers, MKs, rabbis, poets, musicians and folklore groups. Starting October 15, 1986, an exhibition depicting succa traditions among Israel's ethnic groups, produced in cooperation with the International Cultural Centre for Youth, Jerusalem, will be held in the succa.

THE PUBLIC IS INVITED

For additional information and reservations, please contact the Public Relations Department, Sheraton Hotel, Tel Aviv: Tel. 03-286222.

FOREIGN NEWS

Shultz: Summit just missed some sensational deals

BRUSSELS. — The weekend Iceland summit between President Reagan and Soviet leader Mikhail Gorbachev almost produced some potentially sensational agreements by the superpowers before it finally failed. U.S. Secretary of State George Shultz said in Reykjavik before leaving for Brussels Sunday. He told reporters the "potential agreements" lost, due to Gorbachev's insistence on a 10-year moratorium on development testing and deployment of the "Star Wars" programme, were: — A "breathtaking" deal slashing medium-range nuclear forces to only 100 warheads on each side, located in Soviet Asia and the U.S. under the deal. Europe would have been rid of such missiles, leaving only the British and French nuclear deterrent. — "Extremely important" agreements to eliminate long-range ballistic missiles and their warheads in a decade, starting with 50 per cent cuts. — A "fair measure" of agreement on nuclear weapons tests. — Significant superpower accord on human rights issues. Gorbachev and U.S. officials said all these proposals would be taken to the Geneva Arms Control conference. Everything foundered in Reykjavik on the one big disagreement over Reagan's determination to



Britain's Queen Elizabeth II, on a visit to China, reviews a guard of honour yesterday outside the Great Hall of the People in Peking. On left is Chinese President Li Xiangnan. (Reuters)

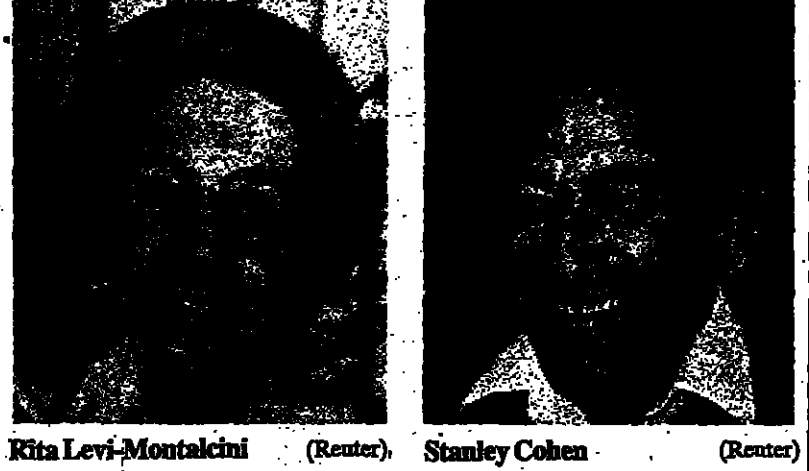
Elizabeth II gets warm welcome in Peking

'Words can't praise China enough'

PEKING (AP). — Queen Elizabeth II, the first reigning British monarch to visit China, described it yesterday "as far better than 10,000 words can tell." Speaking in a toast at a state banquet in her honour at the Great Hall of the People, the queen said Sino-British ties are the closest ever, partly because of their agreement on Hongkong. She also announced the Royal Society's establishment of research fellowships for top Chinese scientists to work with British scientists. "Some 390 years ago my forebear, Queen Elizabeth I, wrote to the Wan Li emperor expressing the hope that trade might be developed between England and China," said the 60-year-old monarch. "The messenger met with misfortune and that letter never arrived. Fortunately, postal services have improved since 1602. Your message

The rules that killed a Russian youngster

By ANDREW WILSON
A 12-year-old Moscow boy in a small Soviet town, Sasha Ligonov, was asked by his father (his mother was in hospital) to go and buy some milk and cheese from the neighbourhood self-service shop. Coming out, Sasha paid for the three cartons of milk he was carrying and started to walk away — whereupon the cashier called him back, and asked if he had paid for the 25 kopeck (30 cents) worth of cheese in his hand. He admitted he had forgotten to do so, and was led off to the manager's office. There two documents were solemnly filled out, in accordance with the law on non-payment for goods. "But these two documents did not seem enough and the manager telephoned for the militia (police)," according to the youth newspaper *Komsomolskaya Pravda*. The frightened boy was marched to the police station "by a convoy of people in militia uniform." When Sasha gave the police there his name, they rang through to the Ovir (residents' registration) office, to verify his statement. But, because the family had moved in only six months before, could not find any entry. They then rang his school. At this point the story took a grim and tragic turn. Says *Komsomolskaya Pravda*: "Sasha was inconsolable. Added to the torture of knowing how this would sadden his sick mother and over-worked father was a new anxiety — how could he show up at school the next day?" He was then given a form on which to write a statement: "Alexander Leonidovich Ligonov, date of birth 22 November 1973, a non-party member...I, in shop No. 5 (milk) bought three litres of milk and took some cheese (25 kopecks) and forgot about it. I promise not to do this in the future, nowhere, never ever again."



Rita Levi-Montalcini (Reuters) Stanley Cohen (Reuters)

U.S. researchers win Nobel medicine award

ROME. — Rita Levi-Montalcini, a 77-year-old Italian-American, and American Dr. Stanley Cohen were awarded the 1986 Nobel Prize for Medicine. The Nobel assembly of Stockholm's Karolinska Institute, which announced the award yesterday, cited Levi-Montalcini and Cohen for their discoveries of cell "growth factors." According to the institute's statement, the researchers' findings were of "fundamental importance for our understanding of the mechanisms which regulate cell and organ growth." "I'm so very happy. I wasn't expecting it," Levi-Montalcini told a reporter outside her home on a quiet, tree-lined street in Rome shortly after she received the news of her award. She said she only returned from a scientific meeting in Stockholm on Sunday night and had no hint about the \$290,000 prize, which was awarded jointly to former colleague Dr. Stanley Cohen of Vanderbilt University School of Medicine in Nashville, Tennessee. Cohen said the work may enable scientists to understand how diseases, such as cancers, cause abnormal growth of cells. Cohen, born and raised in New York, worked under Levi-Montalcini, who had been studying

In Brief

Socialist setbacks in Greek election

ATHENS (AP). — Conservative challengers finished strongly yesterday in Mayoral elections throughout Greece, as voters showed their dissatisfaction with the Socialist government's tough economic policies. Runoff contests are expected in more than 200 of 325 towns. Interior Ministry officials said. The Socialists now need support from Communist voters to scrape victory in the October 19 poll. Communist-backed candidates scored around 20 per cent in Sunday's vote.

U.S. editors protest at 'disinformation'

WASHINGTON (AP). — The American Society of Newspaper Editors says disinformation campaigns are a tactic of totalitarian regimes and asked the government to disavow the practice. In a telegram sent to President Reagan on Saturday, the society protested reported efforts by senior government officials to use the press to disseminate misleading stories about U.S. policy toward Libya.

Mother Teresa unhurt in plane crash

DARES SALAMA (AP). — A plane carrying Nobel Peace Prize winner Mother Teresa failed to take off and veered into a crowd of well-wishers Thursday, killing five people, Radio Tanzania said. It said Mother Teresa, 76, was not hurt. Two of those killed were nuns of Mother Teresa's Missionaries of Charity, the state-run radio said. The accident occurred at Hombolo, a town 320 kilometres west of Dar es Salaam in central Tanzania.

Soviet partial pullout in Afghanistan tomorrow

MOSCOW (AFP). — Six Soviet regiments will begin to pull out of Afghanistan tomorrow in a move considered purely symbolic by the West but promoted by Moscow as a new impulse towards a political settlement in the seven-year war. Western and Eastern bloc correspondents left Moscow for Kabul yesterday morning, invited by the Afghan government to view the withdrawal for themselves. No details of how the withdrawal would be monitored were given to the reporters before their departure. From Saturday night, Soviet television began to show film of the army units preparing their pull-out. Soldiers were seen polishing armoured cars, with one officer saying that despite the withdrawal, the "undeclared war" was not over.

IRA bomb kills policeman

BELFAST. — A policeman was killed and two civilians were wounded in a mortar bomb attack on a west Belfast police station, Northern Ireland police said on Sunday. The outlawed Irish Republican Army (IRA) said it carried out the attack.

Alfonsin in Moscow

MOSCOW (AFP). — President Raul Alfonsin of Argentina arrived here yesterday on a four-day official visit, the first time an Argentinian head of state has come here since diplomatic relations were established 40 years ago.

Social Democrats take major beating in Bavarian vote

MUNICH (AP). — The opposition Social Democrats slumped to their worst post-war defeat in Bavarian state elections according to nearly final results yesterday, giving a big boost to Chancellor Helmut Kohl before the national vote in January. As expected, Bavarian State Governor Franz Josef Strauss was re-elected and led his Christian Social Union to an absolute majority despite some losses in the traditionally conservative state. Strauss's party is the sister party of Chancellor Helmut Kohl's Christian Democrats. With a small number of votes still to be counted, the Christian Social Union was projected to win 55.9 per cent of the vote, a loss of 2.4 percentage points from 1982. They also were projected to lose seven seats in the state legislature but expected to retain an overwhelming majority with 126 seats.

Soviets free dissident poet

MOSCOW (AP). — Soviet dissident Irina Ratushinskaya was unexpectedly released last week from a Kiev jail after serving half of a seven-year sentence for anti-Soviet agitation and propaganda, her mother-in-law said Friday. Ratushinskaya, a 32-year-old poet, has been widely praised in the West for her underground writings. The mother of Ratushinskaya's husband, Igor Geraschenko, told AP that her daughter-in-law was driven to their Kiev home from prison late Thursday. She said her daughter-in-law did not know the official reason for her release, of which there had been no advance intimation.

Top Moscow investigator fired for drunkenness

MOSCOW (AP). — A city newspaper said yesterday the top police investigator in Moscow has been fired for immoral living and appearing drunk in public. *Moskovskaya Pravda* said V.V. Anikin had also conducted private deals with "figures from the trade world, some of whom have been sentenced or arrested." Moscow's retail trade has been the object of a thorough investigation this year and dozens of officials have been arrested for bribe-taking and private sale of goods.

Czech old guard digs in after Gorbachev snub

By JUDY DEMPSEY
VIENNA. — An extraordinary series of incidents which have taken place inside Czechoslovakia over the past month suggests that the 17-year-old leadership installed after the Soviet invasion of the country in 1968 is "acting like a dying horse, it is kicking hard to survive." This is the view of several Czechs, especially since the widespread crackdown on members of the jazz section of the Czech musicians' union and the imprisonment of the section's council on September 2. The jazz section — it acts as an independent publisher of various, often avant garde tracts — is not apparently the sole target of this crackdown. Two weeks ago an Austrian pensioner unknowingly crossed into Czechoslovakia while picking mushrooms. The Czech border guards set their dogs on him. A West German who illegally crossed the West German-Czech border in September was shot dead. Three Austrian professors last month were refused entry into Czechoslovakia. They were on an official visit and were due to sign a cooperation agreement between the Charles University in Prague and the University of Vienna. The Janos Chubs, official clubs of theatre directors, artists and playwrights is under pressure and may well be closed down by the end of the year. A rock concert which was due to be held in the fourth district in Prague (the same district which houses the jazz section offices) was cancelled at short notice by the local Prague party committee and the Ministry of Culture. Josef Prusa, the legal adviser to the jazz section is now out of a job. His contract as a lawyer to the "Inklamo" firm was not renewed on October 1. Many members of the 7,000-strong jazz section have been called in by the police and questioned. But why should the Czech hardliners choose this time to flex their

muscles? Especially since the main review meeting of the Helsinki Final Act on Security and Co-operation in Europe is now being held in Vienna — a four hour drive from Prague. The Czechoslovak authorities have, as one Czech put it "displayed astonishing indifference to even the Vienna meeting which will focus a great deal on human rights. And of course the future of the jazz section will be raised, like it was during the Budapest cultural forum last year."

The answer, according to several leading Czechs, lies to the east. "Moscow is one of the problems," says one Czech official. "Czechoslovakia is the only country — with the exception of Romania — which [Soviet leader Mikhail] Gorbachev has not visited. He came here for 24 hours last year. But that was only for a Warsaw Pact meeting. He did not hold talks with [Czech Communist Party leader Gustav] Husak, nor did he attend the Czechoslovak Communist Party congress, as he did in East Berlin and Warsaw. That was a bit of a snub."

Husak has been at the helm of a largely unchanged politburo since 1969. Younger men such as politburo member Vladimir Herman, candidate politburo member Frantisek Pitra and Central Committee Secretary Jindrich Polednik have been recently promoted. "But the leadership is holding on in spite of the appalling corruption, as well as the economic and human waste of potential in our country," says a Czech source.

It is not only that the leadership is holding on. But arch conservatives such as politburo member Jan Fojtik are distinctly disillusioned with Gorbachev's more liberal image. "We are waiting," members of the jazz section have said. But no one is sure what Czechoslovakia is waiting for. In the meantime, contrary to all the recent incidents, the independent human rights group, Charter 77, has been left in relative peace. (London Observer Service)

"Dear Comrades," writes the journalist. "What is happening to us? Why is it that even a death cannot awaken natural, normal human feelings in us? Tact, generosity, patience, repentance — does it not occur to you that these words seem only to be found in religious dictionaries but not in ours?" "That boy was killed not by individuals so much as by a system where instruction, categories and formulas are more important than the truth."

"We want to be given instruction for everything," the reporter goes on. "All we want is to fulfil our function and not to have to think." After the tragedy, the shops in the town were given orders to be more careful with children. "But what about elderly people? The elderly are even more likely to be forgotten. So one day we'll have another tragedy — and someone will issue orders to be careful with old people..."

The callousness in everyday life that the story reveals may seem frightening. What gives hope for some optimism is that two years ago such "human" reporting in the Soviet press would have been unthinkable. (London Observer Service)

DESECRATED. — Vandals desecrated the grave of the murdered Swedish prime minister Olof Palme in a Stockholm churchyard Thursday night, cutting ropes around the unmarked grave, smashing vases and crushing flowers, police said.



A beautiful, full colour replication of the symbolic map of the same name on display at Beth Hachofetz, The Nalium Goldmann Museum of the Jewish Diaspora. It traces the complete chronological development and diversification of the Jewish Diaspora to present day. It is a superb instrument for teaching adults and children. Edited by Abba Kovner, design and graphics by Tehila Hani-Gil, published by Koinik-Keter Ltd. Size 66.5cm x 94cm. Available in rolled poster form, suitable for framing or as folded poster with detailed reference material printed on the back. Price NIS 10. — each.

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Live sheep and dead clog the streets of France as farmers protest against cheap imports — at left, a policeman in Chateauroux keeps tabs last week on animals from Holland and Belgium let loose by local farmers; at right, farmers dump carcasses of British lambs in Lyon after seizing a refrigerator truck.



First graduates of a scheme to boost South Africa's police force march past white officers at a passing-out parade yesterday.



Women of the Chilean Air Force, carrying Israeli-made weapons, march in a recent parade in Santiago. The event included 10,000 members of the armed forces, which are led by President Augusto Pinochet.

A tortuous wait for transplant

By LIOA MORIEL
Jerusalem Post Reporter

President Herzog last week received a written plea from Ina Flerova, asking him to help her and her family leave Russia so that she can donate bone marrow to her brother, who is dying of cancer here.

Michael Shirman suffers from leukemia, and doctors say he will die without the transplant. Flerova is his only possible donor.

Shirman, 31, was in Reykjavik, Iceland, during the Reagan-Gorbachev summit to publicize his case.

The Soviets have given Flerova permission to come to Israel. But her father-in-law has refused to sign a consent form for his son to leave with her, reportedly refusing to release him from his duty to support him financially in his old age.

His sister's father-in-law, Shirman told *The Jerusalem Post* recently, "is 75 but very healthy. My sister told me over the phone that she is sure this is just another excuse to keep them from coming."

The compatibility of potential donors can be ascertained even when they are far from the patient, and this was, in fact, Shirman's first thought as soon as he learned of his illness. "I sent my genetic information to Moscow, but they said that they could do nothing because the information had not been gathered in their laboratory."

Another way was to get some bone marrow to Israel under ice, but Shirman, himself a cancer researcher, said this was not a good idea.

"Sometimes the first transplant doesn't take and the operation must be repeated. It's advisable to have the donor present so that more bone marrow can be taken immediately for a second and even a third try."

Dr. Yair Reisner, a cancer researcher at the Weizmann Institute of Science who joined American specialist Dr. Robert Gale in Russia to help treat Chernobyl victims, explained to *The Post* that Shirman, too, is a radiation victim.

"To kill the cancer cells in leukemia, the patient receives intense radiation therapy, and this also kills the bone marrow. This is a very aggressive therapy, covering the whole body — after all, cancer of the blood is carried everywhere."

The bone marrow transplant is thus meant to rescue the patient



Michael Shirman (Israel Sun)

from the lethal side-effects of radiation therapy.

If the operation is successful, the bone marrow "takes." Even so, the patient has only a 25 per cent chance of surviving his cancer.

"The transplant may be a complete medical success but the patient can die of cancer anyway," said Reisner.

He added that he had no idea of Shirman's problem when he was on his mission in Russia and in a position to help because the authorities were indebted to him. "I flew to the USSR directly from New York with Gale. If we had known then, of course we would have done something."

Moreover, there is only a 25 per cent chance that Flerova is hemo-compatible with her dying brother and can help him recover.

Shirman was employed by Inter-Yeda, a science-based firm in Ness Ziona which makes interferon, once thought to be a potential "miracle cure" for cancer.

"Interferons don't cure, they are a holding action," said Shirman. "There is one type of interferon which prolongs life in patients with my type of leukemia, but it is not available in Israel — only, on an experimental basis, in Houston, where it has shown success."

But he is not thinking of trying it. "The treatment I'm getting is just as good. The only cure is a transplant from my sister."

Shirman said that he is aware of all the developments in his case and had asked his physician, Dr. Alain Berrebi, to keep nothing from him.

"He shares every bit of information, every agonizing decision with me. Because I know at least as much as my doctors do about the process I'm undergoing, this makes it easier for me to handle," Shirman said.

WEIZMAN: HE'LL BE SORELY MISSED

(Continued from Page One)

visit problem areas and to meet with local officials.

The Arab Affairs Office also quit dealing with individual complaints which rightly belonged to other ministries to focus on the broader policy issues, Ginat added.

"It was the first time since the establishment of the state that there was a serious discussion in the cabinet of policy toward the Arabs," Ginat asserted.

Ginat, 48, said that the office's accomplishments included the rezoning of agricultural land next to crowded Beduin slums in Lod, and new housing is now in the works.

• In the Negev, two Beduin settlements first slated for development and later suspended by former agricultural minister Ariel Sharon were moved forward. The move "completely changed the atmosphere among the Beduin," asserted Ginat, describing the frustration of families who found themselves being prosecuted for building on land they had purchased from the government.

• Work is under way to raise the basic budget level in Arab municipalities, following a \$5 million emergency grant to cover outstanding debts. Arab communities currently receive about one-third of the government money available to comparably sized Jewish municipalities.

• The Arab Affairs Office lobbied for about \$2.2 million in overseas grants and endowments to finance the construction of Arab community centres and technological education in Arab high schools, to be administered through a new non-governmental association, Avuka.

• Two weeks ago, a series of recommendations were put before the government for resolving the status of some 10,000 illegally constructed buildings, which Ginat called one of the biggest issues today for Arab-Israhel. Ginat says the report contains new formulas for construction, while providing better enforcement to prevent further illegal sprawl.

The return of Galilee's controversial Area Nine military zone to civilian use is cited by Arab leaders in the north as one of Weizman and Ginat's finest accomplishments — and the level of Likud opposition to the move also has been carefully noted.

The release of the area resulted in



Ezer Weizman

(Rahamim Israeli)

the return of 2,600 dunams to Arab cultivation. Meanwhile, a nearby Jewish settlement on the verge of financial collapse received a sizeable chunk of government land from the former firing zone, noted Ginat.

He said the good feelings generated by such moves were apparent when Prime Minister Peres visited traditionally Rakah Party villages around the Triangle and found them decked with Israeli flags.

"I want to underline that Land Day, and all the pain that came with it, began because of Area Nine," added Raja Khatib, chairman of Deir Hanna's local council, referring to the annual Arab event held to protest the Israeli takeover of Arab lands.

"Now, in the new picture, both Arab and Jews can take advantage of the land, and this will advance the good ties between neighbours," added Khatib.

Despite such praise, Binyamin Gur-Arye, the adviser to the Prime Minister on Arab Affairs prior to the advent of the national unity government, is sceptical of certain recent accomplishments touted by Ginat.

Gur-Arye, who was removed from his post at the advent of Weizman's tenure, and may return along with Arens, says that some of the "problems" solved by Weizman's

office already had been dealt with and resolved in his era.

"The question of illegal housing, for instance, was discussed when I was in office in the beginning of the 1980s," said Gur-Arye. "It was decided not to destroy anything unless it was obstructing a public place, like a school or a hospital. So I don't see anything new (in the recent proposals)."

Regarding Area Nine, Gur-Arye remarked that his office merely went along with the IDF's view at the time that the site was needed for "mountainous" training.

"I'm not sure the needs of the army have changed," said Gur-Arye adding, "The defence minister said that the Arabs of the area have built around the area to the extent that it was difficult for the army to train there."

As for contacts with Arabs, Gur-Arye says that the five old district Arab Affairs Offices made it easier for government officials to meet Arab leaders "in their region, and not just in Jerusalem."

Gur-Arye said his office also made gains for Arabs — like obtaining permission for Moslems to make the annual pilgrimage to Mecca.

He argues that replacement of Weizman with Arens, or his own return to the Arab Affairs Office,

will not bring about any big changes in direction, because overall government policy will remain consistent.

"The government's policy is the important thing," Gur-Arye said. "Everything that Weizman has done is the government's policy, and it is not something personal. Most of the things he is doing were done by the government in the past."

But at least for now, Weizman is viewed as virtually irreplaceable by some leading Arabs. With two years of experience under his belt, he is preferable to a newcomerlike Arens who will have to learn the subject, they say.

Others talk about something deeper — the fundamental concern they say Weizman displayed over the problems of Israel's Arab minority.

"For Weizman, this is part of his character, part of his beliefs," said Ashah. "He believes that dealing with the issue is one of the steps towards peace in the region."

"As for Arens, it's not a concern for him. He won't give it any attention."

Some, however, take a wait-and-see attitude regarding Arens, and even voice hopes that contact with Israeli-Arabs will soften the Likud leader's perceived hardline views.

"With all respect to Moshe Arens, he never had any meetings with Arabs, never had any contact with the subject. He knows nothing of the subject. He has a lot to learn," said Kabba.

"On the other hand, it's possible that someone who works with the Arabs will get to know them, and perhaps it will change some of his stereotypes."

"Weizman, when he entered, he didn't know, and now he is the defender of the Arabs of Israel. I hope that if Arens comes in... he will begin to identify with our problems and will become one of us."

And as more than one leader pointed out — Arab-Israhel is not merely dependent on the good intentions of Jewish ministers, but can also muster considerable political clout.

"The Arabs have matured from a political and social standpoint, and they'll take a position depending on how they are approached," said Ghanain.

"I'm not afraid of Arens," he added. "If someone helps us, we'll come toward him, and he who doesn't help, we will think about him many, many times — and there will be an appropriate response."

Voyager: A petrol tank that flies

After five years of delays, traumas and near-disasters, one of the most ballyhooed events in aerial history since Howard Hughes' 1938 round-the-world flight is scheduled for lift-off from California's Mojave desert this week.

The flight of the *Voyager*, an eccentric, pitifully frail-looking craft that combines the wing-span of a 747 with the weight of a tiny Cessna light aircraft, comes to the world courtesy of a former Vietnam war fighter ace, his girl friend, Mobil Oil and other corporate giants, and — although no-one will admit it — the Pentagon.

Voyager's designers, retired USAF lieutenant-colonel Dick Rutan (325 combat missions before being shot down in Vietnam), his brother Burt and race flyer Jeana Yeager (no relation to famous test pilot Chuck), hope to perform a feat never before attempted: to circle the earth — 26,000 miles (41,600 km) — on one tank of fuel, without stopping.

Dick Rutan, 48, a lean, taciturn Clint Eastwood lookalike, and Yeager, 34, an aeronautical engineer, will work, eat and sleep in a cockpit the size of a telephone booth. As a 40-member ground crew guides them on a journey that will be over water for 95 per cent of the 10-12 day duration, one will sleep while the other monitors the plane's 17 fuel tanks and watches the automatic pilot.

The route, dictated by weather and politics, will head from California across the Pacific to Australia, the tip of South Africa and back across the Atlantic and Caribbean to Mojave airfield.

Essentially, *Voyager* is a petrol tank that flies — a spidery shell that weighs only 938lbs (426 kg), about half as much as a small car. Loaded with 550 kg of fuel, for the global flight, its long slender wings droop almost to the 4,500 metre desert runway. When fully loaded, *Voyager* can take off only in an absolute pre-dawn calm, with two men running alongside the wing tips — which can oscillate as much as 28 feet (8 metres) in turbulence — to make sure they do not scrape concrete.

Despite an accident two weeks ago on the last of 53 test flights, when a propeller suddenly snapped, forcing Rutan to make an emergency landing at nearby Edwards USAF base, the two pilots still hope to take off on the global trip this week. "Damage was minimal," says a *Voyager* team member. "There was no structural fault."

(London Observer Service)

MALL. — A shopping mall has opened in Tel Aviv's Nahlat Binyamin neighbourhood, although its official inauguration has been postponed for a few days.



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Public Relations Department

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A Date
In IcelandGorbachev Puts Russia's
Best Face Forward

By SERGE SCHMEMANN

THE Mikhail S. Gorbachev sitting across from President Reagan in Reykjavik this weekend is hardly a novelty any more. In the 19 months since he took office, his televised travels, volumes of speeches and innumerable meetings with foreign dignitaries have made him the most familiar of Soviet leaders, at least since Nikita S. Khrushchev.

His restless demands for "radical change" in Soviet economic and social behavior have become the constant refrain of Soviet politics. His barrage of diplomatic initiatives, arms control proposals and nuclear testing moratoriums, whether weighted toward propaganda or results, have become a force to reckon with.

Most Western diplomats see Mr. Gorbachev's foreign policy as an extension of his domestic programs. Under Leonid I. Brezhnev, the Soviet Union achieved strategic parity with the United States, but found to its dismay that this did not translate automatically into global prestige. Mr. Gorbachev has argued that prestige will come with proof that the Soviet system can produce.

It is this premise, Western diplomats believe, that brings Mr. Gorbachev to seek a revival of détente and prompted him to invite Mr. Reagan to meet him this weekend. The pursuit of improved relations has several motives, diplomats say: reducing confrontation while he attempts economic reconstruction, widening access to Western technology and trade, shifting critically needed capital away from arms, and reining in Mr. Reagan's strategic defense initiative, which Moscow evidently fears could trigger a punishing high-tech arms race.

Yet for all the exposure, Mr. Gorbachev remains the subject of keen debate. Is he really something new and different? Does he have the will or ability to change the lives of 280 million Soviet citizens? He has been depicted as a dynamic reformer, inspiring new candor in the press and the arts and giving the world an unexpectedly frank report on the Chernobyl nuclear accident. But he has also been thrust into a classic Kremlin mold, presiding over the cynical seizure of the American journalist, Nicholas S. Daniloff, as a hostage, and turning huffy at questions on human rights or Afghanistan.

Yet Mr. Gorbachev has scored some points in these fields, too. Last week, Irina Ratushinskaya, a poet deemed critical of the Soviet Union, was released without restrictions or conditions from a 12-year sentence in a labor camp. Western diplomats said this was an additional gesture after the release of the dissident physicist, Yuri F. Orlov, who was flown to New York last Sunday as part of the arrangement that set Mr. Daniloff free. Moscow also announced that this week it will begin the pull-out of six Soviet regiments from Afghanistan; American officials said their replacements were already arriving, and that in any case they represent only a small fraction of the 120,000 Soviet troops in the country.

Much of the fascination with Mr. Gorbachev probably stems from his accessibility and style, so different from his predecessors. Mr. Brezhnev, Konstantin U. Chernenko and even Yuri V. Andropov stayed largely within the bounds of Kremlin secrecy, and so fit into familiar Soviet patterns. But since Mr. Gorbachev arrived at the head of a new generation not shaped by Stalin and World War II, Kremlinologists have had to re-write their texts. Experts attribute some of the confusion to the questionable presumption that a reformer, more over a young and affable one, must be a liberal.

Mr. Gorbachev has made it clear that he is out to change the system, modernize the economy and replace top Government and party leaders with younger managers, thus breaking the power of the massive and inert central bureaucracy. Yet his entire career has been in the ranks of the Communist Party, and he has displayed traditional Kremlin traits. While pressing for streamlining, he has betrayed no doubts about the superiority of the Soviet system or the possibility that it can be made to function effectively. Though pragmatic in dealing with the West and anxious to instill initiative in economic managers, he has shown little inclination for experiments with market mechanisms like those in China and Eastern Europe. He has also shown little tolerance for dissidents or emigration. He has displayed fairly orthodox Russian views of the outside world and has done little to lift the pervasive suspicions of foreigners.

In pursuing his paramount goal of an efficient society, Mr. Gorbachev has been tough and uncompromising. The papers tell daily of corrupt officials fired or imprisoned, and he has spoken with fervor of a fierce struggle against those who oppose his vision. "Quite obviously, a sharp, not always open but uncompromising struggle of ideas, psychological attitudes, outlooks and behavior is taking place as we readjust and revitalize our life style," he said recently. Such statements have come more often of late, suggesting that he has met strong resistance.



Mikhail S. Gorbachev and his wife, Raisa, in Reykjavik.

Western diplomats have seen no evidence of organized opposition, but his speeches suggest that entrenched bureaucrats, whose power and position have been threatened, have sought to bury his programs in red tape and inertia, the fate of previous attempts at change.

The rumor recently swept Moscow that an attempt had been made on Mr. Gorbachev's life during his Far

Eastern trip in August. Nothing substantiated the story, but diplomats said its swift dissemination spoke of a certain uneasiness in the public. Nonetheless, he has shown no sign of slowing down. On the contrary, he has increasingly shown himself a man in a hurry, pushing ahead relentlessly to overcome the conservatism, sloth and corruption of two decades of passive rule.

Where Mr. Gorbachev's plans will lead, and whether he achieves his ambitious goal of doubling industrial production by the year 2000, remains to be seen. Yet it is undisputed that he has emerged as a dynamic, skillful and energetic leader who has shaken Soviet society. His stern anti-alcoholism campaign has challenged a basic Russian habit. His "glasnost," or openness, campaign has opened lively debate on previously taboo subjects like drug abuse and prostitution. And since Chernobyl, disasters have been reported with unprecedented candor. (Soviet submarine sinks, page 2.)

Though Mr. Gorbachev's goals are far from realized, diplomats in Moscow credit him with an approach that has proved innovative and effective, as demonstrated in his success in emerging from the confrontation over Mr. Daniloff with an interim summit. The common wisdom is that Mr. Gorbachev could not afford to travel to Washington without a guarantee of an arms deal, especially after returning empty-handed from the Geneva summit meeting in November, but that he was anxious not to let his overtures to the United States founder.

The Iceland meeting gives him a chance to elude the ideologues in Mr. Reagan's entourage, to appeal directly to the pragmatist in the President, and to do so without pressure for an immediate, tangible result.

Reagan's Agenda — Beyond Arms

PRESIDENT Reagan flew to Iceland last week for two days of talks with Mikhail S. Gorbachev, the Soviet leader. Both sides said that advancing the discussion on controlling nuclear weapons was their main objective.

But Mr. Reagan made clear that progress on human rights in the Soviet Union, notably by increasing the numbers of Jews permitted to emigrate, was also a priority. Mr. Reagan also said he planned to bring up the Soviet military involvement in Afghanistan and other regional issues including Administration officials said, the Middle East, southern Africa and central America.

As the result of a deal with Democrats in Congress, the President decided to send two previously concluded treaties limiting nuclear testing to the Senate for ratification, subject to Moscow's agreement on verification. He also took a partial step toward a complete ban on testing, agreeing to negotiate a ban in tandem with cuts in nuclear arsenals. (Compromise in Congress, page 4.)

A satisfactory meeting, Administration officials said, could pave the way for Mr. Gorbachev to visit Washington early in 1987. Secretary of State George P. Shultz said agreement on reducing medium-range nuclear missiles would hinge on resolving such issues as how to limit these Soviet missiles in Asia as well as Europe, verification procedures, how long the accord would last, and agreement on further negotiations to remove shorter-range nuclear weapons from Europe. "Top attention needs to be paid to radical reductions of strategic nuclear arms," Mr. Shultz added. If many of these weapons could be eliminated, he said, the problem of defending against them would change "drastically."

Before leaving Washington, Mr. Reagan met with Yuri F. Orlov, the Soviet dissident who had been freed in the deal that also freed Gennadi F. Zakharov, a Russian employee of the United Nations accused of spying in New York, and Nicholas S. Daniloff, the American correspondent.



President Reagan with President Vigdis Finnbogadóttir of Iceland.

In Summary

Nicaragua Downs
Plane and Survivor
Implicates C.I.A.

Government forces shot down a cargo plane carrying supplies to anti-Sandinista rebels last week, as it flew over southern Nicaragua. Three of the crew died in the crash, but the survivor — a 45-year-old former American marine who said he once worked as a civilian delivering supplies to Central Intelligence Agency operatives in Southeast Asia — was captured by the Sandinistas.

The survivor, Eugene Hasenfus, said at a news conference set up by the Government in Managua that supply flights to Nicaraguan rebels were directly supervised by members of the C.I.A. in El Salvador. But reporters were not allowed to question him. Nicaraguan officials said he would be prosecuted and would probably face a long jail sentence if he is convicted.

The C.I.A., which has been forbid-

den by Congress to deliver arms to the rebels, denied any connection with the flight. President Reagan, asked if the Administration had any link to it, said, "Absolutely none." But he made it clear he approved of civilians helping the anti-Sandinista rebels, known as contras. The President, who calls the contras "freedom fighters," seemed to needle American leftists who oppose them when he said, "Some years ago, many of you spoke approvingly of something

called the Abraham Lincoln Brigade in the Spanish Civil War."

There were also reports that the plane, a C-123, had been sold by the C.I.A. to a private group that delivered supplies to the contras, and that the flight was sponsored by a group headed by retired Maj. Gen. John K. Singlaub. The F.B.I. said it was investigating the ownership of the plane; the General said his group was not involved.

Washington officials said that



Identification card for William J. Cooper, Government says was found with pilot killed when cargo plane was shot down in Nicaragua last week.

Spokesman Quits,
Citing a Principle

Before he became the State Department spokesman nearly two years ago, Bernard Kalb had spent 38 years in the news business. He had a good reputation as a correspondent for The New York Times, CBS and NBC, working in New York, Washington, Southeast Asia and many other places. When he became State Department spokesman, his job was to report, explain, sometimes defend, the Reagan Administration's policies. Last week, the 64-year-old Mr. Kalb resigned to protest what he called "the reported disinformation

program" conducted by the Administration against the Libyan leader, Muammar el-Qaddafi.

The White House has denied any such program, but Secretary of State George P. Shultz has defended the use of disinformation, in principle, in some instances. Mr. Kalb stopped short of confirming that a disinformation policy existed, but he said, "Anything that hurts America's credibility, hurts America." He added, "You face a choice — as an American, as a spokesman, as a journalist — whether to allow oneself to be absorbed in the ranks of silence, whether to vanish into unopposed acquiescence, or to enter a modest dissent." Mr. Kalb emphasized that "I am not dissenting from Secretary Shultz, a man of integrity, a man of credibility." Rather, he explained, "I am dissenting from the reported disinformation program."

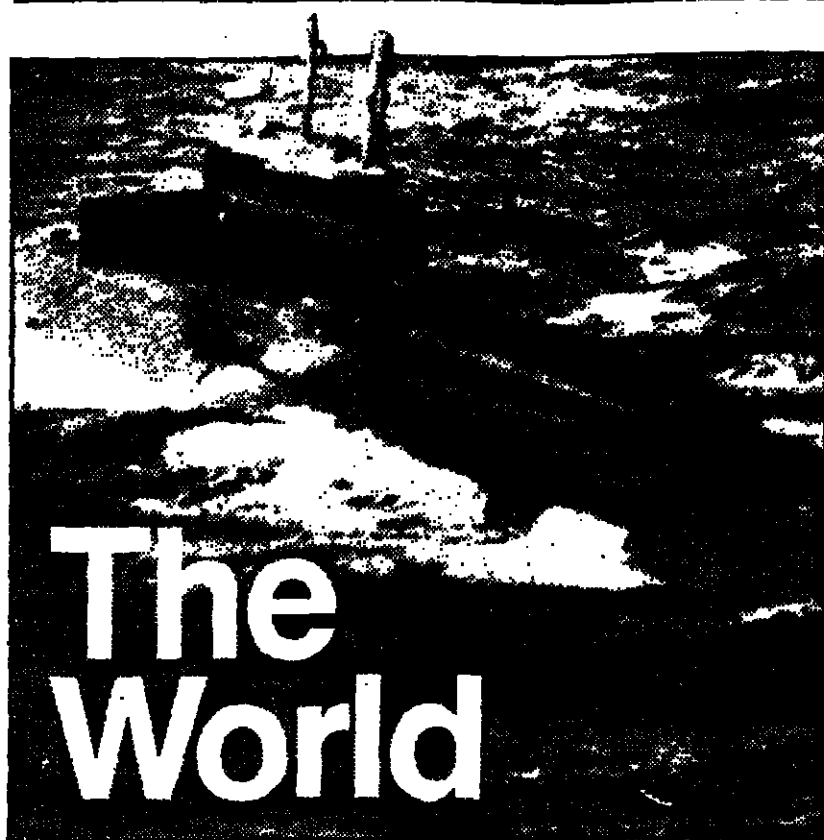
Mr. Shultz said he was sorry Mr. Kalb was leaving and praised him as a "fine journalist" and valued friend. But at the White House a senior official was critical of the timing of the resignation, just before the summit meeting this weekend in Iceland. Mr. Kalb said he had considered the timing: "I suspect that I will dissolve very quickly under the impact of the meeting that will be taking place in Reykjavik."

Fragile
democracies in
Latin America

3

Congress in a
last-minute
flurry of
activity

4



The World

Crippled Soviet nuclear-powered submarine in Atlantic last week.

Soviet Nuclear Submarine Sinks In Atlantic

A Soviet nuclear submarine sank last week in the Atlantic Ocean, about 1,200 miles east of New York, three days after an explosion on board had killed three crewmen.

Between the explosion and the sinking in 18,000 feet of water, other Soviet ships had attempted to tow the submarine. The Kremlin advised the White House, before disclosing the accident, that there was no danger of radioactive pollution.

The submarine was a 20-year-old, 9,400-ton type that NATO calls Yankee-1, which was armed with liquid-fueled missiles. Newer Soviet submarines, like United States submarines, have solid-fueled missiles.

"These liquid-fueled systems are very, very, dangerous," said Vice Adm. Powell F. Carter Jr., staff director of the Joint Chiefs of Staff. But he said that pollution tests nearby had proved negative. He said the Pentagon did not plan to try to recover the sunken boat. The vessel still belongs to the Soviet Union, he said. Little of military value would be left in the submarine, which would be "badly damaged because it has been crushed" by pressure in the deep. The Soviet Union did not give details but Admiral Carter said, "the force of the explosion was enormous." The submarine had a crew of 120, who left before the sinking, and was armed with 16 ballistic missiles, each with two nuclear warheads.

Admiral Carter added that the United States had lost two nuclear submarines — the Thresher in 1963 and the Scorpion in 1968 — and that periodic tests of air and water in the areas of those sinkings had detected no unusual amount of radiation. The nuclear fuel in the reactors was encased in corrosion-proof material.

He also discounted the possibility of a nuclear explosion, because no nuclear fission was taking place in the sunken reactors.

Black U.S. Envoy Going to Pretoria

For months, the Reagan Administration has wanted to send a black to South Africa as the new American ambassador. The Administration's original choice was Robert J. Brown, a businessman who withdrew after questions arose about his business dealings. Then Terence A. Todman, now the Ambassador to Denmark, was said to have rebuffed the Administration's overtures.

Finally, the White House named Edward J. Perkins, a 58-year-old career diplomat who was Ambassador to Liberia. Last week, his nomination was approved unanimously by the Senate Foreign Relations Committee. He said he would seek the enforcement of economic sanctions against the white Government of South Africa, which Congress ap-



Edward Perkins

proved over the President's veto, and that he would also seek contacts with black leaders, including Nelson Mandela, the jailed leader of the African National Congress.

Syrians Accused Of El Al Bomb Role

Nezar Hindawi, the Jordanian accused of trying to blow up an El Al jumbo jet with 375 people aboard,

Senior U.N. Aide Accused as Spy

The Senate Select Committee on Intelligence said last week that the United States is afflicted with too many secrets and too many Soviet spies, notably "a K.G.B. China expert" who is one of two assistants to the Secretary General of the United Nations. It recommended, among other things, changing the system of classifying secrets, improving computer security and tightening surveillance of Federal employees.

The report said 450 Soviet citizens in the United States are spies. "The K.G.B. has succeeded in infiltrating its officers into the U.N. bureaucracy, with some reaching positions of authority," it added.

But United Nations officials said the duties of the assistant, Vladimir Kolesnikov, were mainly to arrange the General Assembly speakers' list and accompany the Secretary General, Javier Pérez de Cuéllar, at meetings with Soviet visitors. Mr. Pérez de Cuéllar said Mr. Kolesnikov did his \$83,000-a-year job "with great competence" and demanded proof of any spying.

At other times, however, he said he had thought he was smuggling drugs for the Syrians or that he believed he had disarmed the detonating device — concealed in a hand calculator — by switching it off.

The Computers That Went Astray

The Soviet bloc may be behind in building its own computers, but it is highly skilled at diverting technology from abroad. While they lack conclusive evidence, Western investigators say they may have uncovered one of the most damaging technology transfers to date. At least \$11 million worth of sophisticated American-made equipment with military applications was probably spirited out of Western Europe over the past year, they said, almost certainly to East Germany or the Soviet Union.

"There is no question that the case is among the most serious of recent diversions," said Richard N. Perle, an Assistant Secretary of Defense. Missing are at least 40 powerful computer work stations, made by Tektronix Inc. of Oregon. They are critical in the design of aircraft, missiles and components of space-based weapons, officials said. Tektronix representatives said they were duped by a middleman into believing their customer would be the Ford Motor Company unit in West Germany, among other buyers.

Disk Drives Made by Control Data Corporation and Other Companies

are also missing. The United States Ambassador to Austria said last week that Austrian customs authorities "blew it" two months ago when they apparently allowed the last part of a shipment of computer equipment — in crates with Control Data markings — to disappear from a Vienna warehouse. Austrian officials blamed a communications gap.

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James F. Clarity, Milt Freudenheim and Katherine Roberts

Managua Hails 'Proof' of CIA Involvement

A Plane Goes Down, the Political Ante Goes Up

By JAMES LEMOYNE

MANAGUA, Nicaragua — A SANDINISTA missile knocked out of the sky over southern Nicaragua a cargo plane bearing supplies for the anti-Government rebels. The only survivor, an American, traced the life of a hired hand in foreign wars and said he was supervised by the Central Intelligence Agency. The cremated remains of two other American crewmen were unceremoniously placed outside the American embassy here.

For the Reagan Administration last week, these events quickly raised potentially damaging questions about official American involvement in the war against Nicaragua's Marxist-led Government. But in Managua, the Sandinistas celebrated the events as a windfall political victory that vindicated their view that the war in Nicaragua is essentially being waged from Washington and Miami.

"For us this is proof of C.I.A. involvement, of American Government involvement, in an illegal war against us," Capt. Ricardo Wheelock, chief of intelligence for the Sandinista Popular Army said in an interview. "I am convinced that the C.I.A. ran this operation." American officials repeatedly denied that charge this week. But it appears to be widely believed in Nicaragua, where the Government-controlled press worked to drive the message home. Newspaper headlines declared: "Just Like Vietnam," "Rambo Defeated" and "Yankee On His Knees," depicting the incident as a confrontation between Managua

and Washington.

The Sandinistas' feelings are strongly reinforced by Nicaraguan history. An American mercenary, William Walker, invaded and ruled Nicaragua between 1855 and 1857. American Marines followed suit throughout much of the early part of this century.

The Marines fought a wily Nicaraguan nationalist named Augusto Sandino, who resisted until 1934 when he was assassinated on the orders of Anastasio Somoza García, the American-picked head of the new American-trained Nicaraguan national guard. The rise of the Somoza family's 40-year dictatorship over Nicaragua began with Sandino's murder and American support. The Sandinistas took their name from Sandino and the Sandinista national anthem declares: "We fight against the Yankee, enemy of humanity."

Another View of the War

That official view prevails in the capital city of Managua, a center of Government support that is far from events that might produce another view of the war: rebel ambushes and rebel attacks on state cooperatives, or Sandinista units forcing the relocation of peasants who support the rebels. In private, some Nicaraguans say there is support in the country for the rebels and they candidly express grievances. But for Sandinista militants, the war is a clear case of foreign intervention managed by the C.I.A.

Commenting on the apparent lack of security measures taken by the American crew of the downed plane, Capt. Rosa Rasos, a spokesman for the Sandinista army said, "To us this shows the arrogance of imperialism. They didn't be-

lieve this could happen to them." In an ideological struggle in which political battles often are more important than military battles, the Sandinistas welcomed a needed propaganda victory.

"This is part of a total war against us supported by the American Government," Captain Wheelock said. Pointing to the captured American, Eugene Hasenfus, Sandinista officials recalled that C.I.A. agents previously mined Nicaraguan harbors and asserted that American spy planes still overfly the country taking photos. They did not mention the existence of disgruntled peasants in the north who appear to support the more than 10,000 Nicaraguans who are now estimated to make up the rebel force.

The plane had left El Salvador and slipped over the Costa Rican border into southern Nicaragua where a teen-age Sandinista soldier shot it down with a shoulder-fired Soviet missile. Mr. Hasenfus survived because he had the good fortune to be wearing a parachute.

At a press conference, he said he and the rebel plane's chief pilot, William J. Cooper, had a long history of working for C.I.A.-run airlines, going back to the early 1960's. He then made the politically volatile claim that his work ferrying supplies to Nicaraguan guerrillas from bases in El Salvador and Honduras had been directly supervised by two C.I.A. agents in El Salvador. This contradicted denials from the Reagan Administration.

It is possible that Mr. Hasenfus lied or exaggerated in an effort to save his neck, as was suggested by a State Department official in Washington. Reporters were not allowed to question the prisoner at the conference. But key parts of his account appeared to be supported by several documents taken from the downed plane. The revelations are likely to prove most embarrassing to El Salvador and Honduras, both directly implicated by the documents and Mr. Hasenfus's statements. In Costa Rica and Guatemala, the downed plane is likely to strengthen a determination to keep out of the American-backed war. In Washington the week's events could indicate that the political cost of greater involvement in the rebel effort may be higher than expected.



Eugene Hasenfus (right) in the custody of Nicaraguan troops in Rio San Juan Province near the Costa Rican border last week.

A Voice From Paris

When It Comes to the Court Systems, U.S., France Are Brothers, Not Twins

By ANDRE FONTAINE

PARIS — PRIME Minister Jacques Chirac has expressed concern that France may be heading toward "government of the judges," with the Constitutional Council playing a dominant role similar to that of the Supreme Court in the United States.

Of course, the American and French systems are both children of Locke and Montesquieu. But brothers are not necessarily twins. The differences are obvious regarding, for instance, the relationship between the President, on one side, and the Congress or the Parliament, on the other. Generally, the President of the United States has much more power, as he deals with Congress, than does the President of the Fifth Republic dealing with the Parliament.

It is the same with the Prime Minister, a key figure nowadays in Paris: there never was a job of that kind in Washington. Now, because the Parliament and Prime Minister Jacques Chirac are conservatives, but President François Mitterrand is a Socialist, Mr. Mitterrand and Mr. Chirac are finding a way of living together politically known here as cohabitation.

Likewise, the functioning of the Supreme Court of the United States and the Constitutional Council of the Fifth Republic have little in common. The Council is a novelty in the French political structure. Nothing similar existed before De Gaulle's comeback in 1958.

As the best lawyers had long resented and denounced the lack of any means of checking the conformity of the laws with the Constitution, the creation of the Council ought to have been unanimously welcome. Actually, people reacted predictably, according to their political or ideological prejudices. When the Constitution was approved by a huge center-right Gaullist majority, determined opponents, led by Pierre Mendes



Members of the Constitutional Council in front of the Elysée Palace.

France and François Mitterrand, stood up against what the latter called at the time "a permanent coup d'état."

Now, the positive role of the Council is hailed by the Socialist opposition. At the same time, Mr. Chirac and others have made it clear they are not ready to let the Council become a "government of the judges." Undoubtedly, nothing in the Constitution opens the way to such an evolution, since the powers of the Council are precisely described. It has to insure fair elections, the laws' conformity to the Constitution, and the President's use of the extraordinary powers accorded him in a national emergency.

There is no legal authority or possibility for the Council to play the role that the Supreme Court has played in such issues as race, sex, the death penalty and, of course, in Watergate and, ultimately, President Nixon's resignation. The Supreme Court is the summit of the pyramid of American justice and deals with the supreme power, determining what is the law of the land.

The Constitutional Council, however, is more limited, entitled to do what it has been designed for, and nothing else. How is it, then, that the Council has produced so many critics both under the Socialist Government and now? The answer

is twofold, involving the nomination process for Council members, and the small constitutional reform passed in 1974.

The political leaders nominate Council members, but members of the Council cannot be fired, so change in its composition comes slowly.

Thus, the majority remained, during and after the tenure of the Socialist Government, in the hands of conservatives. No wonder if in many cases the Council acted as a brake, setting limits on the scope of the changes sought by Socialist cabinets. Some Socialist deputies expressed very loudly their anger at the time. But President Mitterrand behaved wisely and calmed his followers. The Council helped him by sticking to purely legal criteria. That's what it is doing now, performing the same role of brake against the excesses of the right as it did against those of the left.

In that way it undoubtedly eases the "cohabitation" between a leftist President and a rightist Cabinet. The Council could not have played that role without the constitutional amendment of 1974, which gave any group of 60 Deputies or Senators the possibility of bringing a case before it. It has of course allowed the opposition — Socialist, conservative and now again Socialist — to be tempted to appeal to the Council against any law passed by the majority and the Council to act as an arbiter between the majority and opposition. This explains the warning of Chirac and his Justice Minister, who resent this limitation on their freedom of action, against the danger of a so-called government of judges.

Some of Mr. Chirac's friends would like nothing less than the canceling of the constitutional reform of 1974. If they succeeded, nobody but the President of the Republic or the Speaker of one of the two houses of the Parliament would be allowed to bring a case before the Council. But such change is unlikely, given the political composition of the Parliament, that is, the National Assembly and the Senate. The odds are that during the months to come, the role of the Council will remain important, and, from the point of view of someone who hates the idea of France reverting to her old civil war instincts, very useful.

André Fontaine is the managing director and principal editor of Le Monde.

Civilian Rule in Latin America Means Keeping the Generals in Retirement

A Lesson for Uruguay —
New Democracy Is Frail

Julio María Sanguinetti



Alan García



Raúl Alfonsín



José Sarney



Leon Febres Cordero

By ALAN RIDING

ALMOST to a man, Uruguayans shouted with glee when the country's armed forces relinquished power in March last year after more than a decade of harsh rule. Yet it took only a brief pronouncement by 19 retired generals earlier this month, cautioning Congress against approving a new human rights law, for worries about a military coup to arise. In reality, such fears seemed premature. Aware of the risks involved, President Julio María Sanguinetti stressed last week that he opposed prosecuting army and police officers for crimes such as murder, torture, rape and the "disappearance" of political prisoners during the dictatorship. He recommended granting an amnesty to bury the past.

The warning from the retired generals, who apparently had the backing of active officers, was the latest reminder of the fragility of democracy in Uruguay and throughout Latin America, where nine other nations — El Salvador, Guatemala, Honduras, Panama, Ecuador, Bolivia, Peru, Argentina and Brazil — have returned to civilian rule since 1979. Even as the Reagan Administration celebrates the rebirth of democracy and pressures rightist dictatorships in Chile and Paraguay to follow suit, there is concern that militarism may again be on the rise.

Circumstances differ, but in many countries the army continues to exercise power, thanks to its role in combating leftist guerrillas. Some military officers are watching for moves to punish them for past excesses; others see themselves as a bulwark against insurgency. All seem willing to act unilaterally against terrorism.

Only in Argentina, where the Government of Raúl Alfonsín indicted nine former junta members for their role in the "dirty war" against leftists in the mid-1970's, have military officers been tried in civilian courts for past atrocities. Yet this has not proved to be a precedent. Before stepping down, the generals in Brazil, El Salvador, Guatemala and Uruguay demanded pledges that they would not be subjected to Argentine-style trials.

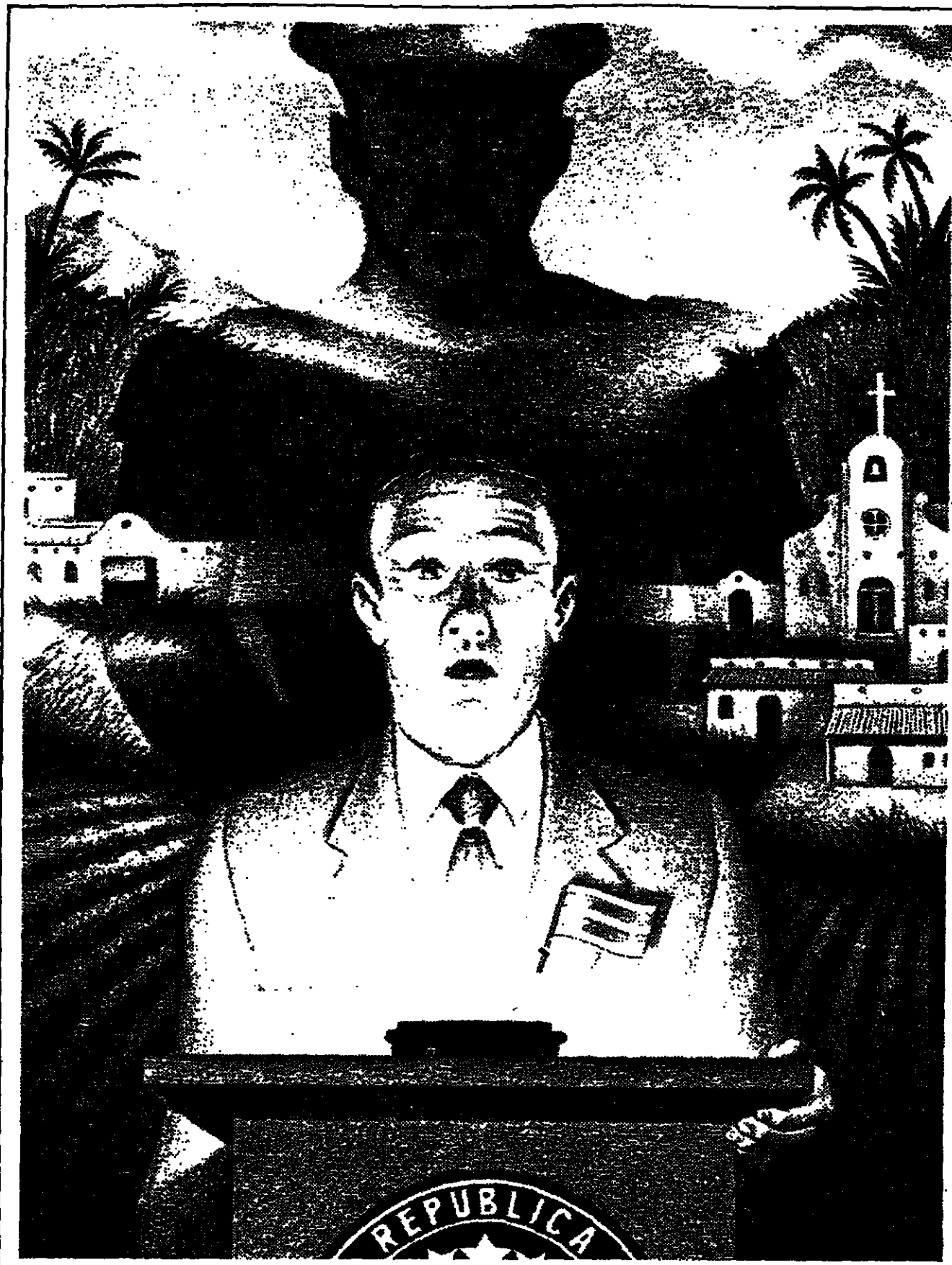
In Uruguay, however, the issue has been reopened as details of assassinations and disappearances have become known. In the face of new demands for punishment of those responsible, public opinion has divided between those who demand "justice" and those who fear a backlash from the armed forces.

Rumors in Peru

In Brazil, which inaugurated the last cycle of Latin American militarism in 1964, President José Sarney has not had to deal with the trauma of a sudden switch from dictatorship to democracy, thanks to a general amnesty decreed in 1979 and gradual liberalization, which was carefully managed by the military regime. As a result, the armed forces have held onto considerable power without a legacy of antimilitary sentiment.

Although military officers in Argentina, Uruguay and Brazil seem principally intent on defending their privileges and budgets, in countries still polarized by internal warfare they can demand a much larger share of power. In Colombia, a longstanding democratic army autonomy has grown as leftist guerrilla activity increased. In November, when army troops killed 100 people while evicting terrorists who had seized the Palace of Justice in Bogotá, they apparently acted without bothering to consult Belisario Betancur, the President.

In Peru, the end of 12 years of military rule in 1980 coincided with an outbreak of leftist insurgency, enabling the armed forces to retain power. Recent moves by President Alan García to reassert civilian authority have strained his relations with top commanders. In June, after Mr. García denounced a prison massacre carried



Michael Emerson

out by security forces, rumors circulated for a time. In El Salvador and Guatemala, the challenge facing civilian Presidents is to create democratic institutions — above all, independent judiciaries — while their armies, which are fighting guerrilla wars, hang onto power. And in Panama, after five civilian presidents in seven years, Lieut. Gen. Manuel Antonio Noriega, the military chief, still has the last word. Ecuador, which returned to democracy in 1979, passed a crucial test in 1984 when one elected ruler was succeeded by another. But tensions between President Leon Febres Cordero and the armed forces have been high since the air force commander, Gen.

Frank Páez Vargas, tried to rebel in March. Significantly, Latin America's civilian presidents seem to have recognized that their fates are interrelated — that a coup in one country would affect democracy everywhere. When coup rumors swept Peru in June, the presidents of Argentina, Colombia, Ecuador, Guatemala and Venezuela all jumped to defend President García. No less important, however, is the "new" attitude of the United States. With the Reagan Administration taking credit for the "democratization" trend, Latin American armies can no longer expect an encouraging wink from Washington if they try to seize power.

Photographers: James Calburn (Sanguinetti); Vilas/Vera Lenz (García); Gamma-Liaison/Francis Apesteguy (Alfonsín); The New York Times/Vic DeLucia (Sarney); United Press International/Tim Clary (Cordero)

Upcoming Elections Inspire Little Hope

Haiti Lingers on 'the Edge of Anarchy'

By JOSEPH B. TREASTER

AFTER a relatively quiet summer, new tensions are tearing at Haiti. The provisional military Government that replaced President Jean Claude Duvalier in February, which many Haitians had looked to as the country's salvation, has failed to come to grips with the chaos that followed nearly 30 years of dictatorship.

In recent weeks, an outbreak of random violent crime, which hardly existed in the Duvalier police state, has created a new climate of fear. Business is stagnating. And for many Haitians, disappointment seems to be turning into despair. Even diplomats who counseled patience last winter seem to be distancing themselves from the Government. Protesters have taken to the streets of the capital and several other towns, and many civilian politicians have renewed calls for the resignation of the provisional Government of Lieut. Gen. Henri Namphy. Most demonstrations have involved no more than a few hundred participants, but their size appears to reflect weariness more than indifference.

A group of civilian political leaders has twice proposed replacements for the three members of General Namphy's provisional Government. But the general, and most Haitians, apparently, have ignored them. "Everybody wants a change," said Leslie Manigat, a 56-year-old political science professor who is one of the more credible among the dozens of announced presidential candidates. But he and others agree that there is no universally accepted alternative.

For nearly eight months, the provisional Government has served as little more than an inert counterweight to the confusion and disorder of post-Duvalier Haiti — unwilling to lead and reluctant to react. General Namphy, a 53-year-old former chief of staff of the army, is seldom seen or heard from. The Interior Minister, Col. Williams Regala, who is 49 years-old and another member of the triumvirate, has been slightly more active. But in his few encounters with reporters, he has generally been evasive. When Haitian journalists complained that they were rarely able to reach him or anyone who could speak for the Government, Colonel Regala airily suggested that they camp outside his office door. The third member of the Government, Jacques A. François, a lawyer and former diplomat in his 70's, has made silent appearances on television in moments of crisis with the military men.

General Namphy has said that his first priority

is to guide Haiti to democratic elections. But he delayed scheduling a vote for five months, and made the announcement in June only after Haiti had reached what he called "the edge of anarchy." The strikes and protests dissolved, but that seemed mainly to grow out of exhaustion and pressure from business leaders who worried that the country might be destroying itself. The provisional Government has issued decrees regulating the press and political parties. But it has been criticized for not conducting a wider debate beforehand; both decrees have been attacked as excessively restrictive. Elections for a constituent assembly have been scheduled for next Sunday, but most civilian political leaders apparently are not participating and Government officials predict that only a few hundred thousand of the six million Haitians will vote.

Temporary Optimism

Partly because Mr. Duvalier reportedly designated General Namphy as his successor before fleeing into exile, and partly because Colonel Regala is recalled as having been particularly close to the Duvaliers, many Haitians have expressed concern that the provisional Government is more interested in protecting members of the old regime than in shaping a democratic society. These fears were revived last month when two Duvalier officials who had been jailed for human rights abuses, Maj. Jean Valme, a for-

mer senior police official, and Frank Romain, the former mayor of Port-au-Prince, were summarily freed and permitted to leave the country.

Many Haitians blame the outbreak of armed robberies and murders, which are undermining business and investment, on the Government's failures. In midsummer, after several weeks of relative calm, signs of "budding confidence" appeared, a foreign economist said. Some light assembly plants reported receiving new contracts. Some managers talked of rehiring laid-off employees and possibly even expanding. "That, however, seems to have turned around, starting in late August," the economist added. "I am not aware of any new contracts, and I think that among Haitian businessmen the level of concern is slowly rising. Everybody in the business sector says the key is jobs. Yet each individual is somewhat reluctant to plunk down his money to create jobs. When American businessmen, potential investors, talk to the Haitians, they see they are not really bullish."

The fundamental issue for many is whether the provisional Government is capable of organizing free and fair elections. "In the beginning," said Mr. Manigat, the political scientist, "we were fully confident. Now we are wondering. If the Government is overthrown, we don't know what will happen to this country. If this Government stays, we are not any more certain that we will have democratic elections."



Demonstrating against the Government in Li'Hestere, a village in northern Haiti in late August. Gamma-Liaison/Philip Good

Another Term for Perez de Cuellar



Javier Pérez de Cuéllar

No Waves
Made at U.N.

By ELAINE SCIOLINO

AN IMPORTANT stop on the United Nations tour is a photo display that describes, a bit romantically perhaps, the role of the Secretary General: "The most impossible, frustrating, daunting, challenging, rewarding, fascinating, clearly unique job on earth."

Indeed, to be the head of the 159-member organization, which is in serious financial trouble and may be bankrupt by the end of the year, is all of the above. But Javier Pérez de Cuéllar said in a recent interview that to quit after one five-year term would have been "desertion" and that he felt "a moral responsibility" to stay on the job.

His unanimous re-election last week assures the United Nations of another five years of steady, if unexciting, leadership. Before his re-election, Mr. Pérez de Cuéllar, a 66-year-old Peruvian career diplomat, made no promises and proposed no new initiatives. He refused even to admit that he was still interested in the job.

As a likable, uncontroversial chief operating officer, Mr. Pérez de Cuéllar sailed through his first term without one major confrontation with any member state. But, in the view of Western and third world diplomats, he also failed to resolve any major problems, such as the Iran-Iraq War and the conflict in Afghanistan. Other Secretaries General had been instrumental in sending peacekeeping forces to Korea, the Congo, southern Lebanon

and the Golan Heights on the Syrian-Israeli border.

The job of Secretary General is largely defined by the person who fills it. The Charter makes him the chief administrative officer and permits him to report annually to the General Assembly and to summon the Security Council when peace is in danger, but the rest is left up to him.

The memory of his predecessors sometimes seems to inhibit Mr. Pérez de Cuéllar. Any Secretary General has to function in the historical shadow of Dag Hammarskjöld, the Swedish civil servant who held the job until he was killed in an air crash in Africa in 1961. He expanded the job with his energy and extraordinary lobbying skills.

The first Secretary General, the Norwegian politician and labor organizer Trygve Lie, resigned in 1953, two years into his second term, after the Soviet Union refused all contact with him because he advocated the United Nations force, mostly American troops, sent to South Korea to fight Communist troops invading from the north. Mr. Hammarskjöld, who replaced Mr. Lie, lost the confidence of the Soviet Union over the United Nations military operation in the Congo. And U Thant, the Burmese educator and journalist who followed, antagonized Washington with his sustained attack on American policy in Vietnam.

A man of deep honor and integrity, Mr. Pérez de Cuéllar also begins his second term at a time when the prestige of the Secretary General has been tarnished by revelations that his predecessor, Kurt Waldheim, lied about his service as an officer in a World War II German Army command.

Mr. Pérez de Cuéllar spends most of his time trying to be a mediator and peacemaker, and has shown little interest in the administration of the United Nations. But it seems clear that if he were more dynamic he might improve the image of the United Nations as it faces the worst financial crisis of its history.

But he dismisses all suggestions that he change his ways and take more risks. "Sometimes I am tempted to be a little bolder," he said. "But if I lose my credibility, I lose my usefulness."

The Nation

New Conspiracy Charge — Aimed At LaRouche

After two of his adherents won nomination to state offices in the Illinois Democratic primary in March, Lyndon H. LaRouche Jr. predicted a rising tide of support from voters who "want me to stick it to Washington." Last week, Washington

charged that Mr. LaRouche's extremist political movement had been doing the same to its donors.

Many people used credit cards to make donations, said a Federal indictment Monday, and more than a thousand of the card numbers were then used to draw more money, without the donors' permission.

The Government said that since March 1984, more than a million dollars in unauthorized charges had been made in a fraud scheme involv-

ing 10 associates of Mr. LaRouche, two fund-raising corporations and three campaign committees. The 117-count indictment handed up by a grand jury in Boston also included charges of conspiracy and obstruction of justice.

Mr. LaRouche, the perennial Presidential candidate whose own apocalyptic theses of conspiracy link "drug pushers," Moscow and such people as Queen Elizabeth and Donald T. Regan, was not indicted. He warned Tuesday that he would regard any attempt to arrest him as "an attempt to kill me."

But Justice Department officials said they were "looking forward to getting a look" at boxes of financial records seized Monday in a raid at the LaRouche headquarters in Leesburg, Va.

In addition, one of the men indicted, a member of Mr. LaRouche's security squad, is now giving the authorities information about the group's activities, an agent for the Federal Bureau of Investigation said Thursday. At a bond hearing in Alexandria, Va., the agent testified that the man, Roy E. Frankhouser Jr., had told him of "hundreds" of conversations with top LaRouche aides about hiding associates who might figure in the Government's fraud inquiry. Four of those indicted are still at large, and the authorities said they are believed to have gone to West Germany.

A spokesman for the LaRouche organization dismissed the indictments and the raid as "one of the biggest political dirty tricks in history." The spokesman, Ed Spannaus, noted that there is less than a month before Election Day. Of 234 LaRouche followers who entered primaries in 26 states, 13 won a place on ballots for state and local offices, according to an analysis by the Anti-Defamation League of B'nai B'rith, and none is regarded as a serious contender.

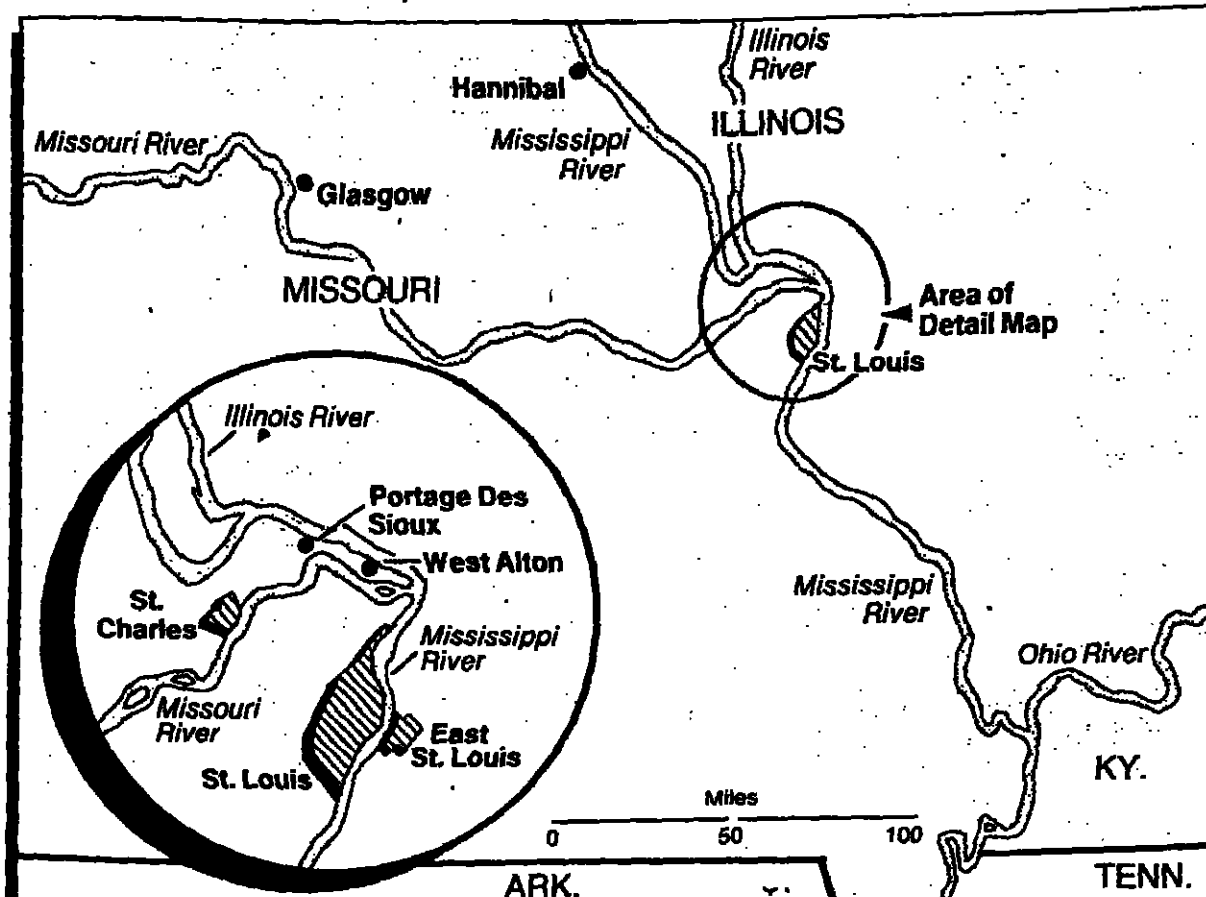
Caroline Rand Herron
and Martha A. Miles

Verbatim: Pressure to Launch

'The committee found that NASA's drive to achieve a launch schedule of 24 flights per year created pressure throughout the agency that directly contributed to unsafe launch operations. The committee believes that the pressure to push for an unrealistic number of flights continues to exist in some sectors of NASA and jeopardizes the promotion of a "safety first" attitude throughout the shuttle program. The committee, the Congress and the Administration have played a contributing role in creating this pressure.'

The House Science and Technology Committee, reporting the conclusions of its inquiry into the destruction of the space shuttle Challenger.

The Levees Fail



WHERE two great rivers join — rivers that, apart, had broken levees and birked lakes last week — there is once again high water in streets and fields.

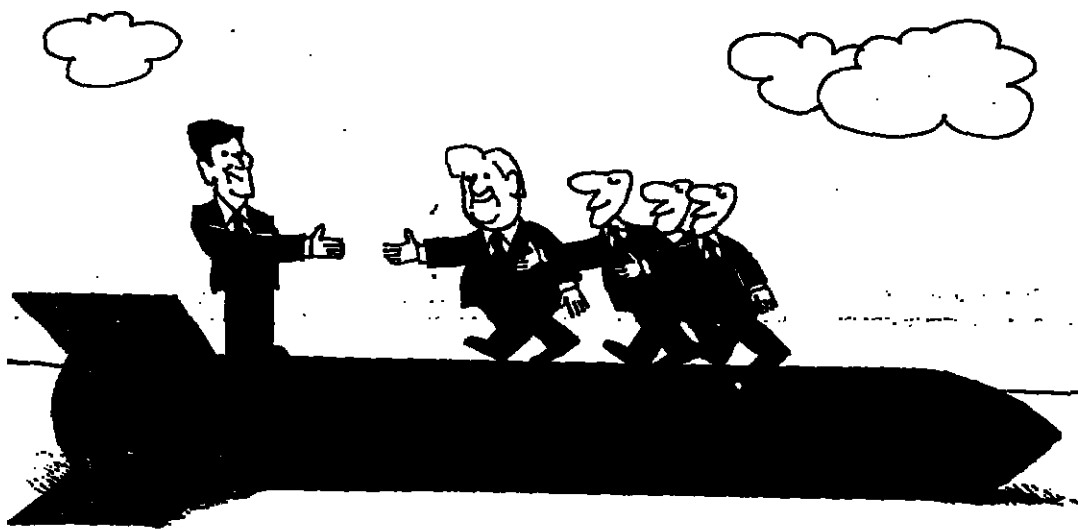
More often it happens in spring, but the Mississippi and the Missouri threaten St. Louis and the small towns upstream every few years. Levees and flood gates, and reservoirs added after the 77-day flood of 1973, protect them most of the time.

This time, after two weeks of rain and rising waters that forced the evacuation of 55,000 Middle Westerners, the Missouri smashed or poured over

73 levees between St. Charles and Glasgow, Mo. It cut itself a new channel to the Mississippi, making an island of the small town of Portage des Sioux, Mo. The combined rivers' waters rolled shoulder-high through West Alton, Mo., on Thursday after its last levee broke. Both towns were evacuated.

The Mississippi reached its highest level Thursday night; two days before that, it drove 1,200 people from their homes in East St. Louis, Ill., when a flood gate failed. But by the weekend the waters were retreating, and no flooding was expected downstream from St. Louis.

Democrats Reached a Compromise With Reagan Last Week



Drawings by Redinger

In Congress, Arms Input Stops Short of Iceland

By STEVEN V. ROBERTS

WASHINGTON
FRIDAY afternoon, Speaker of the House Thomas P. O'Neill Jr. reached President Reagan in Iceland as he was preparing for his meeting with Soviet leader Mikhail S. Gorbachev. His message was that after weeks of wrangling, House and Senate negotiators had agreed on arms control provisions that were blocking Congressional adjournment.

A few minutes later, in a statement to the press, the Speaker conceded that the agreement "falls short" of a 50-50 compromise between Congressional Democrats and the White House. "There is a reason for that," Mr. O'Neill said. "We in the Congress can legislate arms control up to a point. We can use public statements in support of arms control, up to a point. But we cannot sit at the bargaining table in Iceland."

Mr. O'Neill's statement went to the center of crucial questions raised by the often acrimonious dispute between Mr. Reagan and the Democrats that has dominated the last weeks of the Congressional session. How does Congress go about exerting influence over arms control policy? And how far should it go in exerting that influence?

The agreement capped a running battle that saw Mr. Reagan, on a campaign swing through Atlanta, accuse the Democrats of giving aid and comfort to Soviet negotiators. Mr. O'Neill, back in Washington, accused the President of "playing hardball" and not understanding the Congressional role mandated by the Constitution.

Most lawmakers agree that they have a special obligation to support the President on an issue such as arms control, when he is representing the entire country in negotiations with its principal adversary. At the same time, there is a widespread belief on Capitol Hill that arms control is simply too important for Congress to abandon.

Most legislators share Mr. O'Neill's view of the constitutional obligations of the power of the purse. And, as Representative Thomas S. Foley of Washington, the Democratic whip, put it: "Arms control has an intensity of interest with people; it's an issue of principle with a capital P." Many Democrats feel strongly that they must keep the pressure on the President to negotiate with Moscow, and see the Iceland meeting in part as a victory for their pressure tactics.

Arms control has been at the center of disputes over the MX missile and other strategic weapons programs for years. But it emerged in clearer focus this year, when the House attached five significant arms control measures to bills on military spending in the fiscal year that began Oct. 1.

The measures are now part of the omnibus spending bill, or continuing resolution, that has effectively become the Federal budget for 1987. The Friday agreement broke the logjam, opening the way for Congress to adjourn. In the compromise, most of the original arms controls provi-

sions were dropped, though the Democrats won a ban on the testing of antisatellite weapons and White House agreement to send two long-dormant nuclear testing treaties to the Senate for ratification.

The pressure from lawmakers to leave town to begin campaigning was only one reason why Democratic leaders accepted a lopsided compromise. They were also worried that the President would come home and blame them for any difficulties he encountered in Iceland.

In part, the fact that the Democrats battled so long against such a ferocious White House campaign reflects the persistence and depth of feeling among an important segment of their constituency. It is instructive that when Common Cause, the large public affairs lobby, was searching for a new issue a few years ago, it seized on arms control as a subject that would keep its members active and involved.

Some lawmakers have also made the issue a major priority. When Gary Hart of Colorado, a candidate for the Democratic Presidential nomination, made his farewell speech to the Senate last week, he listed a roster of his heroes, from the late Senator Jacob K. Javits to Vice President Hubert H. Humphrey. "They all were deeply committed to nuclear arms control," he said. "And I suspect, if all could be summoned back for a great debate, most — if not all — would list this central issue, this supreme challenge, as the great unfinished business of our time."

Mr. Foley, the Democrats' chief negotiator with the President's supporters in the Senate on the arms issue, said this depth of feeling causes difficulty within Democratic ranks. "We've got guys who want to charge the guns barehanded," he said. "And we've got to say, hold on, we don't have the troops to do that."

The issue also generates strong feelings among Republicans. The day before Senator Hart spoke, Representative Jack F. Kemp of upstate New York, a Republican Presidential aspirant, spoke in harsh terms about Iceland. "I am concerned," he said, "that what is called progress be progress toward a stable peace, and not toward an illusory détente that becomes a springboard for Soviet superiority and expansionism."

Arms control advocates say they have now cleared the way for President Reagan to "get his shot" at an agreement in Iceland, and at any subsequent summit. "If they don't do anything," warned Fred Wertheimer, the president of Common Cause, "these issues are going to be back in Congress in early 1987."

Lawmakers Give Overtime a Try

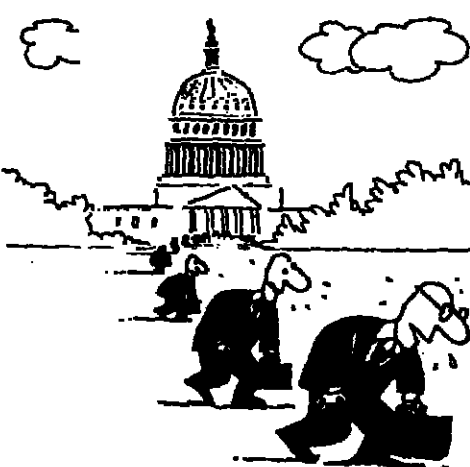
FOR 10 days," said House Speaker Thomas P. O'Neill Jr., "I've been trying to say goodbye." Mr. O'Neill, retiring from the House after 34 years, 10 of them as Speaker, is not alone in hoping his chance will come this week, when the 99th Congress, trying now for Wednesday or Thursday, at long last and two weeks late, adjourns. Last week, disagreements with the White House over arms control and domestic programs kept the legislators off the campaign trail. The dispute over extending stopgap spending meant that yesterday, for the third time in the Reagan Administration, the Government ran out of operating money. But before Congress recessed for the weekend, the prevailing management principle was that work expands to fill the time available. Progress was made on a number of measures, including some thought abandoned. A partial scorecard follows.

Immigration

After refusing to take up the measure three weeks ago, the House passed, 230 to 166, a comprehensive overhaul of the nation's immigration law. The bill would prohibit the hiring of illegal aliens, require employers to ask all job applicants for identification documents to verify their citizenship status and offer legal status to several million illegal aliens. Before the bill passed, members of the House and Senate, which passed a mostly similar measure in September 1985, agreed on the thorniest issue, the use of "guest workers" in Western harvests, but several sticking points remain.

The Environment

After a two-year delay, House and Senate negotiators reached agreement on an eight-year extension of the Clean Water Act. The



measure would provide another \$13 billion for sewage treatment facilities — three times as much as the White House wants — and require, for the first time, controls on runoff from farm land and urban streets.

Drugs

The House passed a revised antidrug bill, 391 to 23, that dropped some controversial measures of earlier versions but kept, despite the threat of a filibuster in the Senate, a provision allowing the death penalty for murders related to drug transactions.

Still ahead

Raising the Federal debt ceiling to enable the Treasury to keep on borrowing, and fitting the budget into Gramm-Rudman-Hollings restraints. A deficit reduction bill is tied up by disputes over extending welfare benefits to poor families and conditions for the sale of Conrail.

A Good Year for Republicans?

Seeking Gains in Governors' Races

By E. J. DIONNE JR.

WASHINGTON
THERE are the elections that politicians here care about, and then there are the elections that the voters care about. In state after state, pulling levers and marking "X"'s for contests for House and Senate seats will be something many voters will do because they happen to be in the election booth. The reason they will be there, according to polltakers and politicians, is the governors' races.

"People don't sit there and worry about an American invasion of Central America or arms control on a daily basis," said Harrison Hickman, a Democratic polltaker. "They do worry about whether their kids can read and write." Mr. Hickman's surveys show that three times as many voters care about governors' races as about Senate races. Eddie Mahe, a Republican consultant, regards the attitude as sensible. "Senate races are about ideology," he said. "Governors are about jobs and contracts and schools and bridges and more contracts."

This year perhaps more than most, governors are also at the cutting edge of arguments over the nation's economic performance. Nationwide the signals are mixed, in large part because boom and bust are distributed so irregularly.

The most recent New York Times/CBS News Poll suggested that voters tend to hold their governors responsible no matter what the economic climate, but the President starts taking more blame as things get worse. By a margin of about 3 to 1, those polled said that their Governor, not President Reagan, was responsible for the condition of their state economies. But in the 31 states that the National Governors' Association rates as being in recession, those who thought things were going badly held their governors responsible by a margin of less than 2 to 1.

A Small Revolution

However those issues play out, 1986 will mark a small revolution in the nation's statehouses. Among the 36 states electing governors, at least 19 will elect a new one. Of the states without incumbents running, 15 are now led by Democrats, only four by Republicans. That almost guarantees good news for the Republicans, who hold 14 governorships to the Democrats' 36. In 13 races, Republicans appear to have at least an even chance of winning; in five, Democrats could oust Republicans.

The Republicans were talking earlier this year about a net gain of as many as eight or 10, and President Reagan last week told the Republican Governors' Association that his party has a chance to win a majority of the statehouses for the first time since 1968. But some Democratic incumbents thought imperiled — Gov. Mark White of Texas is one — seem to be rallying.

From a national perspective, how much will this matter? After all, governors do not act as a body. But with all those contracts and jobs to give out, it is clear that gover-



Gov. Bill Clinton

nors can assemble something like real political organizations. Democrats would particularly not like Mr. White tossed out of office, since their Presidential candidate might need his help to carry Texas in 1988.

Another thing has almost always been true about governors. With notable exceptions, they have tended to be centrists, in part reflecting voters' judgments about what it takes to run a state. "A governor's got to be a conciliator, he's got to get along with a lot of people," said Roger Stone, a Republican consultant who owns up to rather liking ideologies over centrists. "A Senator can be a maverick. This is what I believe! And not worry much about what will happen."

The result is that party labels do not seem to matter much in governors' races. As Charles H. Dolan Jr., executive director of the Democratic Governors' Association, put it: "Republican candidates who are successful tend to be more like our candidates who are successful." And the hot governors these days — among them Republicans Lamar Alexander of Tennessee and Thomas R. Kean of New Jersey, and Democrats Bill Clinton of Arkansas, the new chairman of the National Governors' Association, and Richard W. Riley of South Carolina — tend to be noticed for the affirmative things they had government do.

On this theory, more Republican governors should add strength to the party's more moderate wing, as they did after the party's 1964 Presidential defeat. Governors are clearly playing this role these days among the Democrats. The Democratic National Committee's new policy document bears the stamp of moderate governors from the West and South, so much so that many party traditionalists dismissed the statement as too rapid or too conservative or both.

The difficulty with this view is that a party's national agenda tends to be set in Washington by the President and Congress — and by whoever gets the party's Presidential nomination. Ronald Reagan and Jimmy Carter were governors. But the last President before them to come from a statehouse was Franklin D. Roosevelt, in 1932.

Brazil Gets Back on the Fast Track

Its emergence as an industrial power fulfills, at last, the promise of the 1970's.

By ALAN RIDING

NO one can hold back this country," Brazil's ruling generals used to boast back in the booming 1970's. And indeed, at that time, few people here seemed to doubt that Brazil's huge territory, population and natural resources would transform it into a major industrial power of the 21st century.

Then, almost overnight, came the oil price shock of 1979 and the foreign debt crunch of 1982 — and memories of Brazil's glorious future were suddenly obliterated. Amid the inflation and unemployment of the slump that followed, even pessimism, an intrinsically un-Brazilian characteristic, became fashionable.

Now, however, with Brazilian economic growth once again on the fast track and the generals back in the barracks, pride and self-confidence have returned. And Brazilians and foreigners alike are rediscovering the nation's elusive future as an industrial power. "This country is so dynamic that it will push forward almost despite itself," a foreign trade expert said.

Above all, in the context of a troubled Latin America, Brazil now stands out, no longer tossed automatically into the basket of chronic economic problems with such other major nations as Mexico, Argentina and Peru. Today, the new cliché in business, diplomatic and political circles here is that — perhaps alone in Latin America — Brazil is "viable."

But that viability is bringing Brazil into constant trade frictions with the United States, much as Japan and, later, South Korea and Taiwan, faced protests from Washington when their new exports displaced American-made products. Yet, however reluctantly, the United States has become a major importer of Brazilian products as varied as coffee and steel, orange juice and aircraft, all provided at prices that industrialized nations, with their higher labor costs and not-that-much-better technology, often cannot match.

Yet for Brazil, the surge in industrial exports and trade clashes with the United States are a necessary proof of its emerging economic stature. Before visiting President Reagan in Washington last month, for example, President José Sarney noted that these disputes were "a normal consequence of Brazil's transition from a simple Latin American country to one with an expanding economic presence throughout the world," and he spoke with enormous confidence of "a new Brazil" that is being built.

The country's transformation will not, of course, be that easy. Despite the immediate success of the wage and price freeze decreed by President Sarney last February there is no certainty that Brazil has been cured of inflation. Similarly, to keep its economy growing between now and the year 2000, Brazil will need new investment on a scale comparable to its present \$106 billion foreign debt.

Further, while Brazil has smoothly and successfully returned to democracy after 21 years of military rule, the country's long-term political stability cannot be assured until priority is given to attacking jarring extremes of wealth and poverty. Parts of the northeast are as poor as West Africa; parts of the south, where most of the nation's industry is situated, are as affluent as Spain and Italy.

Yet Brazil's recent achievements are undeniably impressive:

• After recording the world's highest growth rate, 8.3 percent, in 1985, the nation's gross domestic product will expand by over 7 percent this year, with industrial output alone jumping by about 12 percent.

• For the third successive year, Brazil will have a trade surplus of at least \$12 billion, more than enough to cover interest payments on its foreign debt and more than every nation except Japan and West Germany.

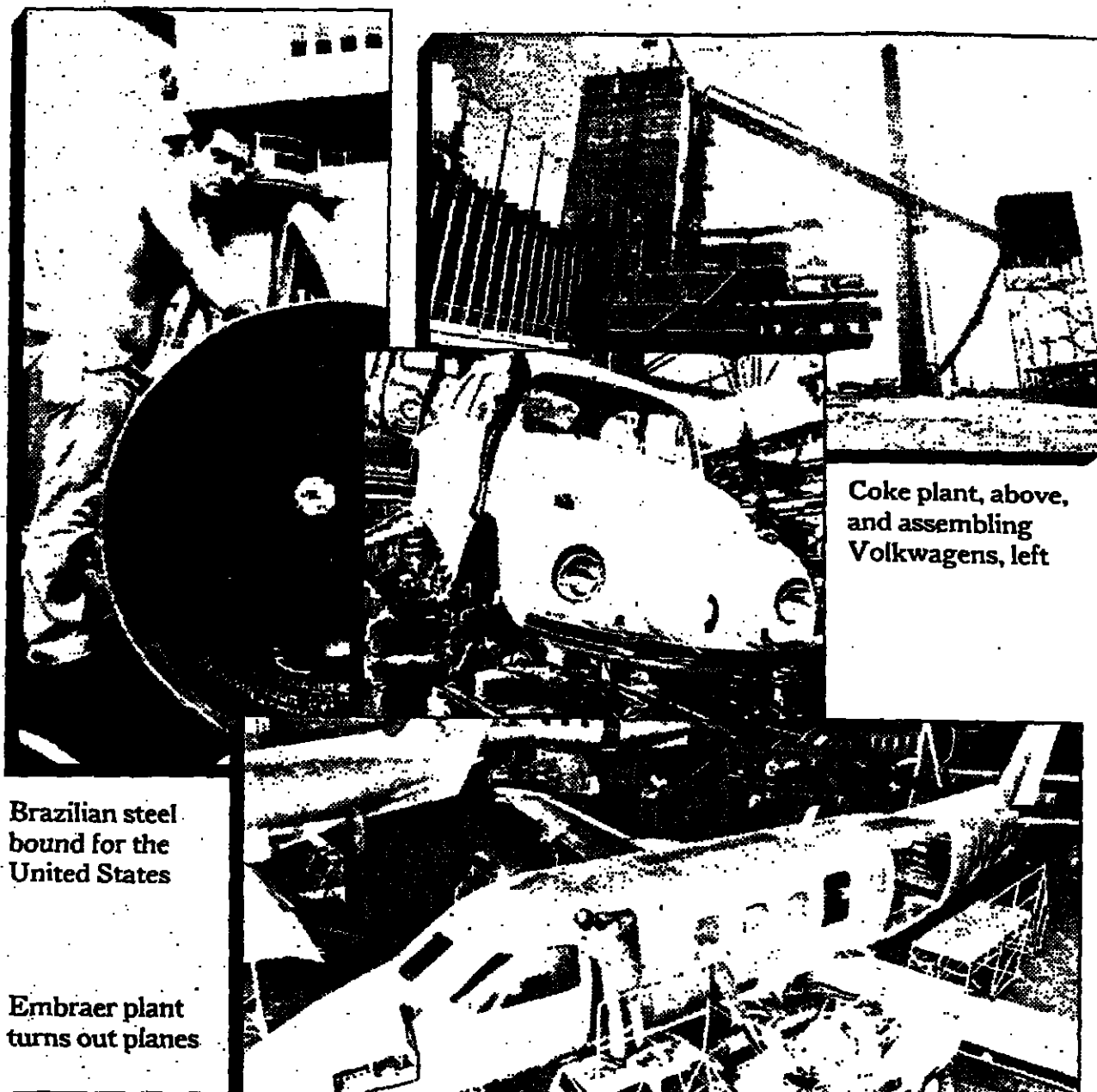
• Annual inflation exceeded 220 percent between 1983 and 1985 and was headed for 500 percent early this year. But the so-called Cruzado Plan, to freeze wages and prices, announced on Feb. 28, almost eliminated inflation, and price increases should be under 40 percent for 1986.

• A burst of consumer spending has brought a 30 to 40 percent jump in retail sales and, as industries have responded by increasing production to near-capacity, unemployment has fallen sharply.

In São Paulo, Brazil's industrial heart, newspapers are fat with "jobs available" advertising, while many hard-pressed companies are complaining that they cannot find the skilled workers necessary to add extra shifts. In some cases, companies have even set up desks in government employment bureaus in the hope of recruiting trained personnel before their competitors.

There is in fact ample evidence that Brazil has emerged from the difficult years with a more solid foundation for its future growth. Manufactured goods have jumped from 30 percent of total exports to 55 percent over the past decade, and the country is newly self-sufficient in steel, aluminum, plastic and rubber products, as well as in capital goods that previously came from abroad.

In the case of oil, one of the most

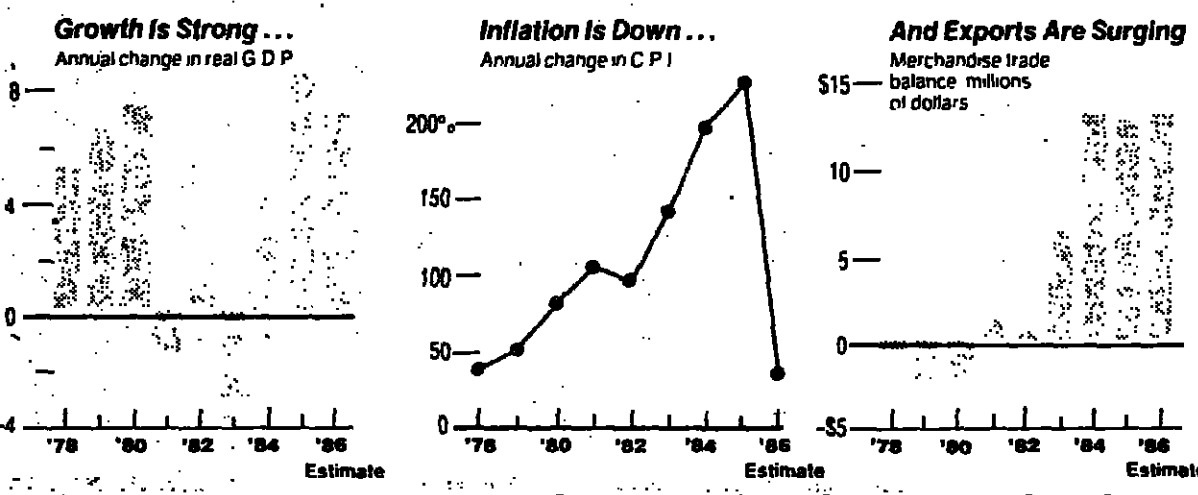


Coke plant, above, and assembling Volkswagens, left

Brazilian steel bound for the United States

Embraer plant turns out planes

The Brazilian Economic Turnaround



vulnerable aspects of its 1970's development boom, Brazil has reduced its oil import bill from \$9.4 billion in 1980 to \$2 billion this year. This was done by raising domestic oil output from 175,000 barrels a day in 1979 to 620,000 barrels now, developing sugar-based alcohol fuel for vehicles and, most recently, benefiting from the drop in world oil prices.

Even criticism of the big borrowing strategy of past military regimes is no longer heard. While in some Latin countries foreign loans often only financed the transfer of capital to private bank accounts abroad, in Brazil loans were in the main well invested. And, with the exception of the disastrous nuclear power program, many of the hydroelectric dams, steel com-

One result was that ordinary Brazilians were, in a matter of months, able to recover an important part of their purchasing power lost since 1980. But because some industries found their profit margins squeezed by the price freeze and others could not raise production fast enough to meet new demand, inflationary pressures soon returned — expressed in shortages and illegal under-the-counter surcharges.

Today, in the case of beef, chicken and eggs, Brazilians are in the bizarre position of having money to spend but nothing to buy. Arguing that they are operating at a loss at current fixed prices, cattle ranchers have simply stopped slaughtering their animals, forcing consumers to switch to chicken and eggs for protein and, in the process, to provoke shortages of these products.

Last week, the Government ordered the seizure of fattened cattle in various states, although, even with record imports, the shortages may not be resolved before December. The mere rumor that a butcher had taken delivery of a load of frozen meat now produces long lines. More significantly, the emergence of a black market for beef as well as chicken and eggs, with "premiums" of up to 50 percent being paid by housewives, suggests that a form of inflation has already returned.

The Cruzado Plan also brought production problems to some sectors that were either overwhelmed by demand or were unable to obtain raw material or parts without paying premiums. After several months of difficulties, the automobile industry is now producing at near-capacity of over 100,000 units a month, but there is an eight-month delay on the delivery of new cars — unless, yet again, a buyer pays a premium to his dealer.

Nonetheless, despite these glitches, the consensus is that the Cruzado Plan has been a success, holding down prices, stimulating consumption and spawning new jobs. A nationwide opinion poll last week said President Sarney enjoyed an 87 percent approval rating, largely because of the Cruzado Plan.

Inevitably, the key question is whether, once the Cruzado Plan is ended and economic activity is "normalized," inflation will return to its traditional place in the Brazilian economy. Earlier this year, Brazil's powerful Finance Minister, Dilsen Fumero, noted that Brazilians had learned to live too long with inflation but, some economists ask, have they now learned to live without it?

Paradoxically, an immediate general price rise is probably necessary to ease inflationary pressures, in part by cooling the current consumer boom. But, with the Government intent on avoiding a return to "indexation," under which prices and wages were automatically adjusted to past inflation, a free market economy may in fact be tested here for the first time in years.

Investment, however, stands at the center of any long-term development strategy. In the short term, the Government aims to stimulate domestic savings by discouraging excessive consumption, but it also recognizes that Brazil's rate of savings is far from adequate to finance the lending necessary for development.

Instead, officials say, Brazil must look to traditional sources of capital — direct investment from abroad, export revenues and foreign loans — to finance the energy, mining and industrial projects necessary to maintain the growth rate. All three, however, pose difficulties.

New foreign investment is at a 15-year low because multinational corporations saw no reason to expand during the post-1980 recession and because, more recently, they have been using spare capacity to increase production. From a peak of \$1.6 billion in 1980, for example, new foreign investment was less than \$100 million last year. Many foreign companies appear to be hesitating in the face of uncertainty over Brazil's protectionist intentions. They are particularly concerned lest a so-called "market reserve" policy that has kept foreign companies from manufacturing a range of small computers until 1992 be extended to new areas.

WHILE jealous of its own market, however, Brazil has emerged as an aggressive exporter over the past five years, developing new markets in Europe, Africa, the Middle East and Latin America.

More recently, however, it has been caught in disputes with the United States, which last year took 26.5 percent of Brazil's \$25.6 billion worth of exports. The most serious to date involves American threats to retaliate against Brazilian products unless the "market reserve" policy on computers and data processing is relaxed. But this conflict was preceded by others involving steel, shoes and orange juice and, experts believe, trade problems have now become a permanent feature of United States-Brazil relations.

Even with its succession of healthy trade surpluses, however, Brazil's export revenues have served only to cover debt servicing costs — \$9 billion in 1986 — and to bolster foreign exchange reserves. For long-term development resources, then, it must turn again to international financial markets, first to restructure \$67 billion owed to commercial banks and \$11 billion outstanding to foreign governments and then to restore the flow of "voluntary" credits.

The negotiations will be heated because Brazil now believes it deserves special treatment — but bankers also concede Brazil may get much that it demands. "You no longer hear people worrying about Brazil being the world's biggest debtor," a foreign banker stationed here said. "Instead, everyone is talking about this huge nation taking off again."

The Economy

WEEK IN BUSINESS

A Bid Reverberates At BankAmerica

First Interstate's bid for BankAmerica was the final blow for Samuel H. Armacost, the BankAmerica chief executive who has been on the outs with his board as loan losses have risen and performance has slipped. Mr. Armacost resigned, saying his presence was doing more harm than good. He is expected to be succeeded by A. W. Clausen, the former president of the World Bank, whom Mr. Armacost had succeeded at BankAmerica nearly six years ago. BankAmerica is likely to reject the bid from First Interstate, despite the attractiveness of a merger of the two big banking companies holds in the eyes of many analysts.

The bid was engineered by Joseph J. Pinola, the tough and shrewd banker who left BankAmerica 10 years ago and turned around First Interstate, a former BankAmerica arm. The bold bid was valued by First Interstate at \$18 a share, or \$2.77 billion, but most analysts put the value closer to \$15 a share because it involves a new class of preferred stock. A merger would create a megabank, second only to Citicorp, that would blanket California and have footholds across the nation.



Samuel H. Armacost

threat of unity in the organization. Saudi Arabia, meanwhile, is advocating a return to a pricing agreement that would push oil to the \$18-a-barrel level, from \$14 now.

Stocks trended up in a relatively slow week. The Dow Jones industrials, taking a breather from their recent roller coaster ride, ended the week at 1,793.17, up 18.99. Bond prices were steady. M-1 fell \$1.4 billion.

Producer prices rose four-tenths of 1 percent in September on a spurt in gasoline prices. Still, producer prices have fallen 4 percent for the year so far. Retailers' sales rose moderately in September, but few chains posted the double-digit gains that would fuel the economy. Consumers took on debt at a slow pace in August, another indication of skimpy retail performance.

The Fed staff is skeptical about Sumitomo's plan to inject \$500 million in capital into Goldman, Sachs. The staff apparently is concerned that the Japanese company's "passive" investment could influence Goldman management.

Waterford offered to buy Wedgwood for \$300 million, a deal that would combine two of Britain's most prestigious names in crafts. Analysts said a combination of Waterford's crystal and Wedgwood's china would make the company more competitive in an increasingly cutthroat market.

Two Wall Street traders agreed to fines of \$630,790 in the Dennis B. Levine insider trading scandal. Antonio Gebauer pleaded guilty to making \$4.3 million in unauthorized withdrawals from Brazilian accounts while he was head of Morgan Guaranty's lending operations in Latin America.

Viacom rejected a \$44-a-share buyout bid from senior management at the behest of its outside directors. The surprise move — management bids are generally more popular than outside bids — came as Summer M. Redstone of National Amusements has accumulated a total of 18.4 percent of the entertainment company. Analysts speculated that Mr. Redstone could be the next bidder.

Carl C. Icahn bid \$8 billion for all of USX, and has accumulated something more than 11.4 percent. If his \$31-a-share bid is successful — which many analysts doubt — Mr. Icahn would be finding good use for the money he has reaped in his stunning turnaround of T.W.A. USX, too, has not been the best of performers in recent years, with the steel industry in a slump and its Marathon Oil unit suffering as well. And USX has been hit by a three-months strike by steelworkers, which could be complicated by Mr. Icahn's anti-union stance. Many analysts believe Mr. Icahn is still trying to guarantee his say in the restructuring or recapitalization of USX.

Lucky Stores will restructure in hopes of making itself unattractive to Asher B. Edelman. It will close or spin off many stores and repurchase about 20 percent of its stock. The moves, which will leave Lucky to concentrate on its food business, should enhance Lucky's stock price and make it too expensive for Mr. Edelman, who has offered \$35 a share.

The Pritzkers offered to sell McCall's magazine to Seatrail Lines in an unusual deal that would help the shipping company emerge from bankruptcy stronger and would give the Pritzkers a big stake in it.

Campeau refused to give up in its bid for Allied. Allied has accepted a bid, for \$67 a share, from Paul A. Bilzerian and Edward J. DeBartolo, over the Campeau bid of \$68 a share. But Campeau charged in court that Allied illegally agreed to pay large fees to the Bilzerian group if its bid fell through.

OPEC met again amid new signs of discord. Although an agreement to curb output is propping up oil prices, OPEC ministers are again squabbling over who gets what share. That, and uncertainties over Iran's ability to export oil in the wake of continued raids by Iraq, threatens the thin

The New York Stock Exchange

WEEK ENDED OCTOBER 10, 1986				
Company	Sales	Last	Net Chng	
400 Indust	263.9	258.0	+2.07	
20 Transp	201.8	193.9	+8.02	
40 Util	111.4	109.9	+1.04	
40 Financial	27.6	26.9	+0.31	
500 Stocks	238.2	233.1	+2.54	

The American Stock Exchange				
WEEK ENDED OCT. 10, 1986				
Company	Sales	Last	Net Chng	
30 Indust	182.2	176.3	+18.99	
20 Transp	83.1	80.1	+12.25	
15 Util	201.1	196.8	+1.44	
65 Comb	726.1	703.6	+6.62	

MARKET DIARY				
Advances	Declines	Unchanged	Total Issues	New Highs
1,123	858	2,177	63	54
1,123	858	2,177	63	54

VOLUME				
4 P.M. New York Close	Last Week	Year To Date		
Total Sales	613,535,500	27,474,914,244		
Same Per. 1985	479,170,961	20,705,452,579		

WEEK'S MARKET AVERAGES				
High	Low	Last	Change	
155.1	151.1	155.1	+1.13	
121.2	118.0	120.3	+2.46	
73.4	70.6	72.9	+0.01	
144.7	142.2	143.4	+1.24	
137.0	134.7	135.7	+0.89	

VOLUME				
4 P.M. New York Close	Last Week	Year To Date		
Total Sales	48,433,745	2,373,583,924		
Same Per. 1985	35,604,600	1,538,722,385		

The New York Times

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Lies Have Wings

Whose word can Americans still trust about what is happening in Nicaragua?

Eugene Hasenfus, the former Marine, says in captivity that he was a freight handler on 10 air supply missions to assist rebels inside that country. He says the flights originated in El Salvador, where the flight crews, maintenance crews and drivers are all working in some capacity for the C.I.A. He says he was hired in June by Corporate Air Services, which is operated by Southern Air Transport, a Miami firm once owned by and still associated with the C.I.A.

Mr. Hasenfus was the only survivor of the crew of a C-123 cargo plane shot down Sunday by the Sandinistas. The Drug Enforcement Administration says it believes the same plane was used in a "sting" operation against the Sandinistas in 1984, when the C.I.A. hid cameras aboard a flight to try to prove that Nicaragua was smuggling drugs.

Yet Secretary of State Shultz had previously said that the plane was "hired by private people," that its crew "had no connection with the U.S. Government at all" and that they were "not from our military, not from any U.S. agency, C.I.A. included. . . . These are private citizens."

President Reagan said that he didn't know who arranged the flight but implied that it might have been John Singlaub, the retired general who heads the World Anti-Communist League. General Singlaub, however, says otherwise: "I do not know who ordered the aircraft into the air. I want to assure you it had nothing to do with me or any of my activities." When asked if he was being made a scapegoat, he replied, "Needless to say, the thought has crossed my mind."

It may cross the reader's mind that Americans are learning more of the truth from Managua than Washington while their Government, as in the recently debated case of Libya, engages in disinformation. The Libyan scam so affronted Bernard Kalb, the State Department's spokesman, that he

resigned his office — presumably before he ever heard of Mr. Hasenfus — with the poignant plea that "faith in America's word is the pulse beat of our democracy."

Why betray that faith?

If lies are being spun, the reason is plain. The C.I.A.'s involvement in military-supply flights blatantly violates Congressional prohibitions, going back to 1949, against any direct contact with the rebels.

Additional guidelines, in the \$100 million aid package now awaiting Congress's final approval, would bar U.S. personnel from training or otherwise servicing the rebels within 20 miles of Nicaragua's borders with Honduras and Costa Rica. That restriction could be evaded in law, if not in spirit, by employing truly individual operatives. Any direct use of C.I.A. personnel or contract workers would be a clear violation.

But Congress itself practically assured this lawlessness when it voted to fund the shadow war while claiming "assurances" that Americans would be kept out of it.

How was the C.I.A. to spend \$100 million, and to supervise its honest disbursement for the contra army, without getting involved? How could Americans stand clear of an army that was, from the start, an American creation?

The result is worse than just a few more official lies or deceptions. It is worse than having to make bitter choices about Nicaragua. Once again, the credibility of the American Government is an early casualty.

If the law forbids what we are doing in Nicaragua, or if we are ashamed to acknowledge what we do, we should stop doing it. For the moment, the entire Government stands condemned as complicit and incredible.

Congress Jump-Starts a Corpse

Eight years and five days after a Presidential commission began studying the subject, the remarkable thing about the immigration reform bill is nothing about its contents but the fact that it is still alive at all. When the bill, having again been given up for dead, passed the House Thursday night, Alan Simpson, its calm Senate sponsor, said, "I guess we just jump-started a corpse."

The reason for that achievement and the reason the bill may yet pass before Congress staggers to a conclusion lies in the word "center." The immigration reform bill, sponsored by a broad bipartisan coalition, teeters so precariously on the center of American opinion that small shifts right or left send the seesaw flying. Now, in the closing hours, the seesaw will fly again unless both the right and left move, steadily, to the center.

The starting place for liberals to yield is the unjust heart of present immigration law, the "Texas proviso," inserted in 1952. The proviso sternly made it illegal for aliens in this country to work. But it smugly did not make it illegal to hire them. Growers got all the labor, aliens all the risks. The new bill would finally make it illegal to hire, applying sanctions against employers who do so.

Yet House Democrats have just inserted a "sunset" provision calling for employer sanctions to expire after six and a half years. That comes close to eviscerating the bill. The Senate bill presumes effectiveness but provides a review commis-

sion as a sensible protection. On this point, the Senate version is indisputably preferable — a judgment that the House Democratic conferees appear commendably willing to accept.

The House bill also includes an incendiary provision, championed by Joseph Moakley, Democrat of Massachusetts, to grant temporary haven to Central Americans. On the merits, it's a superb proposal that deserves enactment — but not at the expense of overloading this bill.

There's just as much room for compromise on the other side. A principal feature of the reform bill would give amnesty to hundreds of thousands of illegals who have lived here for years, exploited and afraid. How many years must they have been here to qualify? The Senate bill says seven, but why should that be such a sticking point? It's not as if the House bill, which says five years, will throw open the gates.

Another issue for the right concerns lawyers. Temporary workers admitted under new provisions of law would be entitled to assistance from Legal Services lawyers — but not those admitted under another section. Rectifying that is not just an exercise in symmetry; there are few groups potentially more in need of legal assistance.

Some of these positions will be hard to budge, and there are only precious hours left. That's time enough, though, for the expiring Congress to breathe life into this warm and worthy corpse.

The Editorial Notebook

The Rain Forest's Ancient Library

It Takes Eons To Create An Acacia's Ant

In a patch of Borneo rain forest, botanists have identified 700 different species of tree, as many as exist in all of North America. A single tree by the Tambopata River in Peru is home to 43 species of ant, as many as in all the British Isles. But the riotous diversity of the world's tropical rain forests may not last much longer. At a conference in Washington last month, tropical biologists agreed that species are being lost faster than they can be catalogued.

That's like tearing a fistful of pages out of the world's evolutionary history. The tropical rain forests are ancient communities. In temperate zones, many species perished in each of the world's periodic ice ages. But those of the rain forests survived and continued evolving. Today's diversity of species accumulated over some 60 million years. These assemblages of trees, beetles, mosses, vines, frogs and snakes have built up an intricate web of interdependencies.

Fig trees have come to depend on a particular wasp that grows in their fruit and also pollinates them. Certain ants can live only in acacia trees, which have evolved hollow thorns for them to inhabit and leaf tips for them to eat. In return the acacia's tenants protect it from other insects.

Overarching these special symbioses, all plants and animals in a rain forest form a self-contained physical

system. Moisture is trapped between the root mat floor and closed treetop canopy; nutrients are recycled in continual growth and decay.

The complex abundance of the forest is deceptive. When the trees are cut down, farmers find that the soil is very poor and supports only a few years of crops. Rains then compact and deplete the soil. With the forests gone, floods follow. Loggers may take only one tree in ten but they destroy many more. Their roads open the forests to farmers and ranchers, who complete the destruction.

In Brazil, Indonesia, Central America, even Hawaii, the rain forests are falling to shortsighted development projects. The world's tropical rain forests have already shrunk from 5 million to 3.5 million square miles. Each year about 25,000 square miles are lost, an area the size of West Virginia. What can protect forests as long as people can make a quick buck from destroying them?

Perhaps the argument that, in the long run, the forests are worth more as they are. The handful of rain forest

species so far studied has already yielded products like coffee, quinine, ipecac and reserpine. A profusion of valuable drugs and food plants surely remains to be discovered in the millions of species yet unexamined. A single tropical flower, the Madagascar periwinkle, produces two drugs, vincristine and vinblastine, which have proved invaluable in treating Hodgkin's disease and leukemia.

Biologists who study tropical forests are moved not just by the destruction but by the loss of knowledge. With such diversity, many patches of forest may be unique. When a habitat is reduced to a tenth its size, probably half its species will eventually perish. Thus an assemblage of plants and animals that have evolved over millions of years can be devastated in an afternoon. Like the loss of a vast, rare library, the complex mechanism is shattered before it can even be understood.

Destruction of the rain forests is not inevitable. Poverty, unequal land distribution and low agricultural productivity cause human pressure on the forests. If governments can address these problems through land reform and long-term development, if foreign lenders take the trouble to understand the impact of the roads and dams they support, the erosion of the rain forests may yet be halted.

NICHOLAS WADE

Letters

Evolution: The Hypothesis That Ranks as Fact

To the Editor:

Irving Kristol's portrayal of the status of evolution ("Room for Darwin and the Bible," Op-Ed, Sept. 30) could well have been written by a creationist, and bears no resemblance to the current understanding of evolution by biologists.

Just as we distinguish between the proposition that the planets revolve around the sun (the fact of evolution) and the Newtonian theory that seeks to explain this fact, so we must distinguish between, on the one hand, the proposition that evolution has occurred and, on the other, the neo-Darwinian theory of evolutionary processes. As in every field of inquiry, there are unresolved issues and controversies in the theory of evolutionary processes (which is much more complex than "survival of the fittest," speeded up by the occasional genetic mutation). Almost all evolutionary biologists accept the possibility of occasional evolution by "quantum jumps," but almost all likewise accept that most of evolution proceeds gradually.

Yet whatever the arguments about the details of the causes of evolution, there is no disagreement among knowledgeable biologists that living things are descended from common ancestors.

That evolution has occurred is a hypothesis, like the hypothesis that the earth rotates about the sun. Both of these propositions are based on inference rather than direct observation, but both are supported by so much evidence that they have the status of fact. The evidence comes not only from the fossil record (which, pace Mr. Kristol, offers numerous cases of intermediate forms), but from anatomical, embryological and molecular studies of living species.

One does not need historical documents to deduce that French and Spanish developed from Latin; nor does one need fossils to deduce the common ancestry of living things. The historical reality of evolution is accepted by the full spectrum of biologists, including cladists and geneticists, whatever their views of the theory of evolutionary processes may be.

Of course evolution is not an "unchallengeable certainty," any more than any other scientific proposition, but neither is it a conglomerate of conflicting hypotheses. Nor does the teaching of evolution, any more than the teaching of the radically materialist sciences of physics and chemistry, embody an ideological bias against religious belief.

Many thousands of people find no conflict between evolution and religious belief; the only irreconcilable conflict is between evolution and an interpretation of the Bible as a literal statement of history. To

bow to pluralism by denying the strength of the evidence for evolution is to drain meaning from rationalism and the enterprise of science.

DOUGLAS J. FUTUYMA

Stony Brook, L.I., Sept. 30, 1986
The writer is professor of ecology and evolution at the State University of New York at Stony Brook.

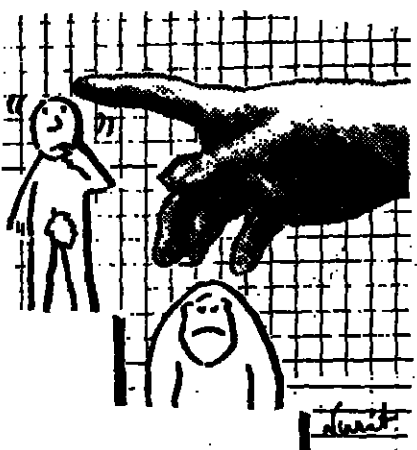
An Imposed Ignorance

To the Editor:

"Room for Darwin and the Bible" is a good vehicle for raising an important issue that is seldom discussed: our unwillingness to tolerate rational discussion of claims made in the name of religion (or allegedly backed by religion) as proper subject matter for public education.

Irving Kristol is a case in point. He holds that the scientific theory of evolution should not be taught as dogmatic fact but as a hypothesis. But how then should the creationist account be taught? Apparently not at all in the public schools, even though Mr. Kristol holds that as a matter of faith it "is perfectly defensible." Leave this defense to the parochial schools and churches.

Suppose we generalize this advice. We live in an age where morality itself is linked with Christianity and the very association of a belief with "secular humanism" is sufficient to condemn it, where many politicians



and even one potential Presidential candidate claim religious backing for their viewpoints and where religious leaders of various faiths use the prestige and authority of their offices to express opinions on abortion and other matters of public policy. Mr. Kristol's view leaves no place for the rational evaluation of such claims in the public school setting. It condemns to ignorance those who do not have the means or will to study theology.

It is often said that a person's religion is a private matter. Fair enough. But when religion is used to defend

public policies that affect all of us, believer and unbeliever alike, the rational evaluation of its claims becomes proper subject matter for the general educational process.

I strongly suspect that our failure to encourage such an evaluation as part of the normal process of education in the public schools is associated with a common fallacy: the confusion of the question whether a person has a right to hold a religiously oriented opinion with the quite different question of the rightness (correctness) of that opinion. A person has a right to hold such an opinion, but that does not make it right.

DONALD F. KOCH
East Lansing, Mich., Sept. 30, 1986
The writer is professor of philosophy at Michigan State University.

God's Restraint

To the Editor:

Irving Kristol accommodatingly suggests teaching evolutionary theory with enough disclaimers about its certainty to remove any conflict with the unqualified certainties of those who accept the Bible as a direct revelation from God. If radical parent Biblicists are to be satisfied, however, this policy would have to apply to much more than teaching — it would require, for instance, careful relabeling of exhibits in natural history museums.

Such an effort, at first glance, would seem only fair, since God, the omniscient author of this vast universe, is careful in the Bible never to say anything that conflicts with the scientific views, primitive and erroneous though they may be, of the prophets who wrote down His revelations.

In his thunderous sermon to Job, God chose not to anticipate Copernicus and Newton, as He has not chosen in our time to correct the views of Darwin and Einstein (though He is obviously in a position to do so) or to give any hints about the viability of the Strategic Defense Initiative. God obviously leaves men strictly on their own where scientific discovery is concerned.

This restraint on God's part puts an uncomfortable constraint upon teachers of science.

Though Mr. Kristol confines himself to evolution and to dissent among scientists about evolution, it is hard to see why his agreement with fundamentalist parents that the teaching of evolution has an "unwarranted anti-religious edge to it" will not be held equally to apply to teachings where scientists are unanimous but which even more evidently contradict the archaic notions of biology and cosmology that appear throughout the Bible and are so employed there as to seem to have God's full authority behind them.

ROBERT GORHAM DAVIS
Cambridge, Mass., Oct. 2, 1986

No Reason to Do Away With 55 M.P.H.

To the Editor:

Senator Gordon J. Humphrey's Oct. 4 Op-Ed article, favoring state authority in posting speed limits, is aptly titled "Stopping Highway Hypocrisy." The hypocrisy, however, is his, not ours.

If we should raise speed limits because most drivers ignore them, then shouldn't we also lower the drinking age and legalize drugs in high schools? If Senator Humphrey can equate civil disobedience with public referendum in one sphere, why not in all?

Furthermore, our habit of speeding is not derived from a passion to regain "a hefty chunk of productive time wasted behind the wheel." To the contrary, We speed because we get away with it. We don't get caught because no one is there to catch us. The laxity of law enforcement on the highways is evident to everyone. Ergo, the Senator's concern to use law enforcement more sensibly is moot. Defending speeding with patriotic calls to efficiency is asinine.

In looking over Senator Humphrey's own statistics, we learn that increased highway speeds "might result in a slight increase in fatalities, [but] a net decline would probably result as police shifted their resources to catching drunk drivers."

Should I and my family die in a highway accident to save another from a drunk? Is this an either/or proposition? Should our tombstones read: "They died at 65 m.p.h. so that others might live to be more productive and sober?"

Clearly, the hypocrisy is not with the current law. Those who speed are speeders, not efficiency experts. Those officers and departments that fail to enforce the law are accessories to the fact. Those politicians who defend them are mercenaries and opportunists, for behind this controversy is little concern for human life and the public welfare. As usual, the hidden agenda is money and power.

MICHAEL T. BUCCI
Cherry Hill, N.J., Oct. 4, 1986

Reagan Incorporated?

To the Editor:

Did I miss something? When did the Reagan Administration incorporate and who are the stockholders? Defending the Administration's tight control on information given to the news media, White House spokesman Larry Speakes said, "I don't know a corporation that doesn't try to control the message that goes to the public. That's the way the game is played" (news story, Sept. 27).

Mr. Speakes's arrogance toward the news media as well as toward the public in a democracy is most disturbing. Why is there not outrage at such a statement? Have we accepted this view? Is the Administration a separate corporation? Have we no right to know its business?

Or are we a Government of the people, by the people and for the people? (Rev.) WILLIAM D. PERSELL
Brooklyn, Oct. 2, 1986

The writer is rector of St. Ann and the Holy Trinity Episcopal Church.

Vital Reading Material: 'Schools Without Drugs'

To the Editor:

Bravo to William J. Bennett and to the U.S. Department of Education, which he heads, for producing the succinct and vital handbook entitled "What Works — Schools Without Drugs," for which I sent after reading an article in The Times. This book is long overdue and is invaluable to all families and schools. Its aim primarily is to prevent drug addiction in children through education.

I have attended many group sessions concerning drug abuse in an effort to glean why and how my daughter succumbed to this evil and ended up a vagrant despite the myriad opportunities offered her to attain high goals. Nearly every parent at those meetings said, "I had no idea."

Mr. Bennett's book, with Nancy Reagan's excellent introductory letter, dispels the possibility of future ignorance. It should be distributed to every household and school, just as Robert Hawke, Prime Minister of Australia, did with a similar book. It can be obtained free of charge by calling the Department of Education's toll-free number — 1-800-624-0100 — or by mailed request to "Schools Without Drugs," Pueblo, Colo., 81008.

VALERIE KAEMPF
New York, Oct. 2, 1986

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or return unpublished letters.

Minors Must Be Free to Opt for Contraceptives

To the Editor:

While your Oct. 7 editorial "Teaching New York the Facts of Life," supporting the dispensing of contraceptives to teenagers in New York City public schools, is to be applauded, your suggestion that "parental permission is necessary" is off the mark.

Requiring that teenagers obtain parental consent would not only violate their constitutional right to confidentiality in matters of reproductive privacy, it would also create for some an insurmountable obstacle to access to contraceptives.

Such a parental-consent requirement would be identical to the "sneak rule," a Federal regulation requiring parental notification prior to a teenager's receiving contraceptives at Federally funded family-planning clinics. This regulation, which was opposed by every major national medical and public health group as well as the health departments of 38 states and the District of Columbia, was enjoined by two United States courts of appeals. In

fact, every Federal court that has addressed the issue has recognized the constitutional right of minors to obtain contraceptives without either parental notification or parental consent.

Furthermore, Federal laws mandating that family-planning services be made available to eligible recipients as part of aid to needy families, and prohibiting discrimination on the basis of marital status or age, specifically require that such services be made available to teenagers who request them. Federal courts have ruled that the denial of services to minors who do not have parental consent violates the laws that govern these programs.

Sex education and contraceptive services raise strong political and religious controversies. We must guard against political compromises that undermine the constitutional rights of teenagers.

JANET BENSHOOF
Reproductive Freedom Project
American Civil Liberties Union
New York, Oct. 7, 1986

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WASHINGTON | James Reston

Tricky Politics: A Troubled Capital

There's an uneasy feeling in Washington these days. The Reagan Administration has been hurt by its misinformation campaign against Libya and its tricky handling of the Nicaraguan problem. It has denied everything but convinced nobody.

The charge against the Administration in both cases is not that it was breaking the law but bending it, that it was misleading the Congress and the people — in short, that it was cheating, trying to achieve its objectives by stealth.

The survivor of the American plane that crashed in Nicaragua delivering arms to the rebels, Eugene Hasenfus of Wisconsin, says he was working with agents of the Central Intelligence Agency.

The Administration says he was merely an adventurer trying to help a

good cause. This is a free country where citizens have many liberties, President Reagan explained. He compared Mr. Hasenfus to the Americans of the Abraham Lincoln Brigade who volunteered to fight against Franco in the Spanish Civil War.

This has not satisfied Congress, particularly after the disclosure that Admiral Poindexter, the President's national security adviser, had proposed a "disinformation" campaign against Libya, and that Bernard Kalb, the Assistant Secretary of State for Public Affairs, had resigned in protest.

If Mr. Hasenfus and his two American colleagues who were killed in the crash were, as he says, working directly or indirectly with the C.I.A., this mission would seem to violate Congressional restrictions, and contradict repeated Administration statements that the plane was involved in a purely private adventure.

But Congressional intelligence committee members ask how a strictly private operation would have been able to hire former C.I.A. agents, commandeer planes, warehouse tons of equipment and fly repeatedly in and out of the U.S. to El Salvador and Honduras. All entirely legal, say officials here. Such an operation does not violate the Neutrality Act because the President has made no Neutrality Proclamation, and it would not violate arms export legislation unless the arms originated in the United States.

"What has kept the [Nicaraguan] resistance alive," Assistant Secretary of State Elliott Abrams said, "has been private help. Some members of Congress accuse us of approving of this with a wink and a nod. A wink and a nod, hell! We think it has been fine."

Senator Dave Durenberger, Republican of Minnesota, who is chairman

'With a wink and a nod'

of the Senate Select Committee on Intelligence, thinks otherwise and raised the question of Government involvement: "The President, someone on the N.S.C. surely has some knowledge. I know the White House knows and is not telling the world."

This raises a fundamental question. If, as the Administration insists, it is perfectly legal to maintain a U.S. embassy in the Nicaraguan capital while permitting private U.S. citizens to supply arms for an attack on that

Government, there must be something defective in the U.S. neutrality and arms export legislation.

No doubt this will be examined in the next session of Congress, but meanwhile it is clear that the political atmosphere has been poisoned by the evidence that the Administration approves "with a wink and a nod" of a proxy war by its own citizens.

There are other reasons for the sense of unease in Washington. The Congress has loitered along to the end of the present session without passing the appropriation bill necessary to meet the Government's payroll and had to pass a continuing resolution to avoid the consequences.

Also, though the Administration and the Congress have been fussing with one another for almost six years over limiting or stopping nuclear arms tests, a compromise was not found until after the President had finally left

Washington to meet Mikhail Gorbachev of the Soviet Union in Iceland.

Finally, there is a feeling that both the Administration and Congress are hurrying toward the next election without any clear line of succession or sense of purpose in either party.

As usual in the last two years of an administration, many leading officials are thinking about their personal futures and the gold at the end of the tunnel.

Tip O'Neill will not be back as Speaker of the House in the January term and the Democrats in the Senate are not happy with their present leader. So both branches of the Government are looking to a wholly different situation, and maneuvering for power in post-Reagan Washington.

There's nothing particularly new in all this. It's only that the political air along the Potomac is a little more poisonous than usual.

In the Israeli Government, a Changing of the Guard

Peres's Successes

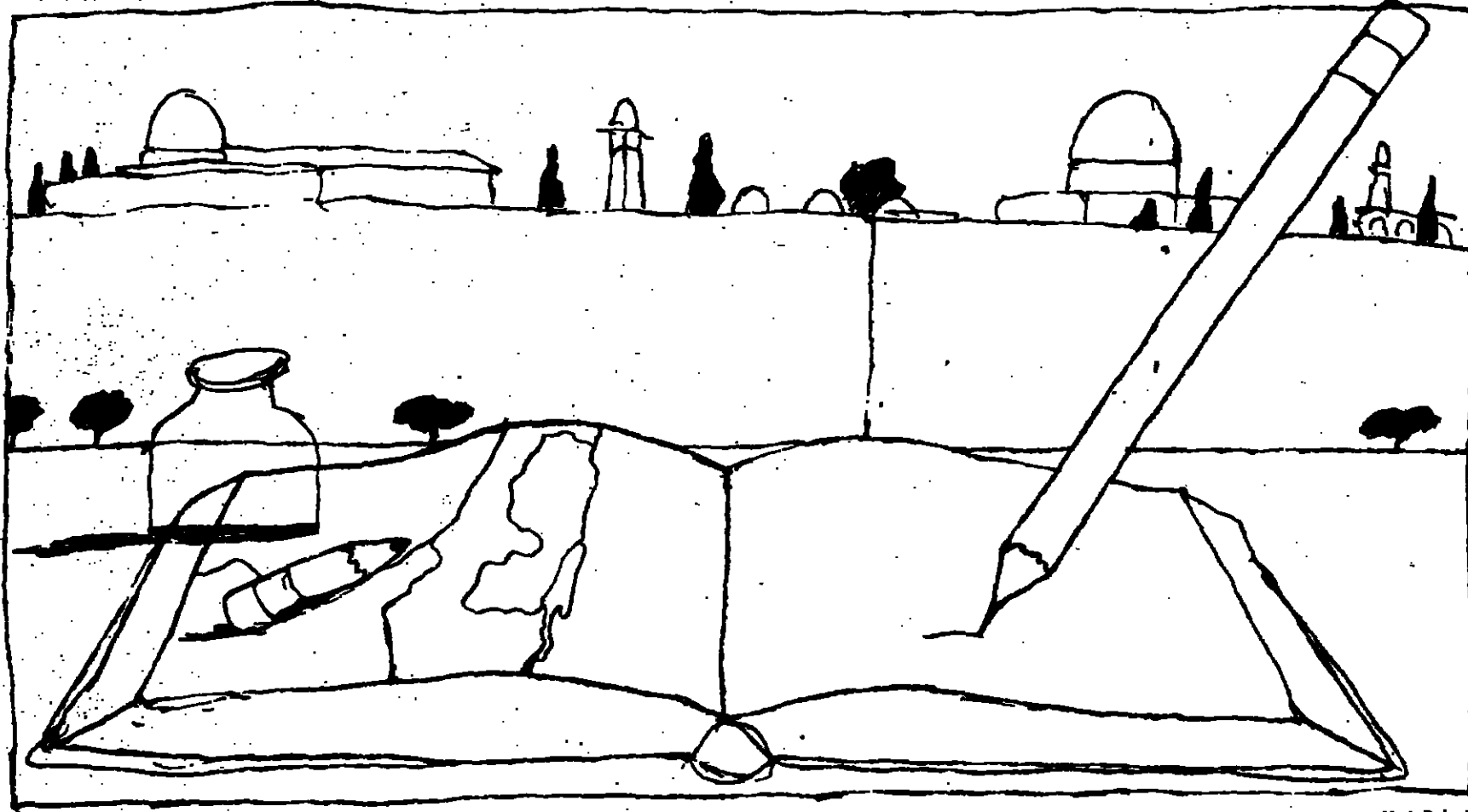
By Samuel W. Lewis

WASHINGTON — As Shimon Peres leaves office today, he looks back on two years of foreign and domestic triumphs marked by one disappointment.

He succeeded by personality, eloquence and energy in refurbishing Israel's image abroad — projecting the image of a country intent on peace, reasonable-sounding in its demands, eager for negotiation. Eschewing the Likud's penchant for defiant bombast, he spoke for Israel in conciliatory tones. The dividends were intangible but substantial. Support in the American public and Congress, badly eroded during the Lebanon war and its ugly aftermath, rose to unprecedented heights as Jerusalem and Washington drew ever closer in strategic and diplomatic cooperation.

Mr. Peres could rightfully claim success on three of his four major goals: achieving a settlement in Lebanon, warming up the cold peace with Egypt and restoring the economy, plus other significant foreign and domestic achievements. The fourth objective, launching peace negotiations with Jordan, remained elusive.

Shimon Peres assumed office in 1984 in the wake of an electoral impasse. Reluctantly, Likud and Labor joined forces in the National Unity Government. Mr. Peres finally became Prime Minister, but without the power of his predecessors: limited in advance to two years in office, forced to divide Cabinet posts equally with Likud, constrained to obtain majority



Mark Podwal

A new image abroad

support for all important decisions. It seemed a formula for impasse.

By late 1985, the coalition Government's first two goals — for Lebanon and the economy — had been largely achieved, thanks to Mr. Peres's patient, artful coalition leadership and to painful economic decisions taken by Government, business and labor. Some scattered Israeli units remained on the other side of Israel's northern border, but formally the army was finally out of Lebanon — and Lebanon was effectively out of Israeli political life, at least for now.

A tough austerity program reduced inflation from an annual rate of nearly 1,200 percent in October 1984 to about 25 percent in September 1986 — with an incredible zero inflation for the month of July 1986. Sustained temporarily by extensive American emergency aid, Israel's shrinking financial reserves stabilized. Growth remains elusive, and the economy still needs major surgery to become self-sustaining. Yet no one can gainsay Mr. Peres's success in halting hyperinflation and re-establishing public confidence in the Government and its money.

Israeli diplomacy also flourished. King Hassan II of Morocco welcomed Mr. Peres openly in July, further breaching the wall of "delegitimization" with which Israel's Arab enemies have sought to surround it. The Ivory Coast and Cameroon re-established diplomatic ties, broken off more than a decade ago under Arab pressure. Relations improved with London, Paris, Bonn and other European capitals. Greek hostility moderated. Spain established diplomatic relations. Even Moscow winked. Mr. Peres met Foreign Minister Eduard A. Shevardnadze in New York for a serious, amicable talk.

Then, in his final month, Mr. Peres finally achieved agreement with Egypt for binding arbitration of the prickly dispute over sovereignty of the minuscule Taba area on the Red Sea. That opened the door to the first Israeli-Egyptian summit meeting in four years. The tête-à-tête in Alexandria with President Hosni Mubarak

came too late to achieve all Mr. Peres had hoped for. But it did launch a new era of relations between America's two closest Middle East allies.

In the last weeks of the Peres era, Israeli diplomacy gyrated feverishly to relaunch the long-stalled "peace process." The dramatic meetings with King Hassan and President Mubarak seemed evidence that the negotiating road might reopen with enough Israeli persistence. Prime Minister Peres paid a final call on President Reagan in a glow of mutual satisfaction: Mr. Mubarak would now, finally, appoint a new ambassador to Israel and would perhaps also breathe more "normality" into Egyptian-Israeli peace.

Nonetheless, the joint statement issued by Mr. Peres and Mr. Mubarak revealed by its emptiness their continued disagreement about how to re-engage on the core issue of Arab-Israeli peacekeeping: the future of the West Bank and Gaza. And King Hussein of Jordan remained conspicuously silent. There was no breakthrough; for Shimon Peres, the time clock had run out.

From his first day in office, Mr. Peres launched an ardent courtship of King Hussein. But Hussein pursued his own agenda. The King apparently believed he could not openly negotiate with Mr. Peres without Yasir Arafat's seal of approval. Even after Hussein's prolonged talks with Mr. Arafat finally collapsed last February, Mr. Peres failed to persuade the King that he should risk openly defying

the Arab "consensus" — partly because Mr. Peres himself was so hemmed in by his coalition partners that he could make no promises about possible outcomes.

Intense American and Israeli diplomatic activity in August, aimed at defining an agreed path to the peace table, eventually ran aground. As time ran out, Mr. Peres took what he could get, putting the best face on it: a Taba agreement, an Egyptian-Israeli summit meeting and a vague understanding with Mr. Mubarak about a "preparatory committee" for an international peace conference. As for the West Bank, the best he could do was some "backstage" coordination with Jordan over certain Israeli occupation policies — coordination intended to help King Hussein regain some of his lost political influence in the territory.

Mr. Peres's intense whirlwind diplomacy was marked by creativity, linguistic skills, superb public-relations work and a genuine commitment to find some accommodation with Jordan and the Palestinians. It produced some solid achievements, much personal popularity and a restored reputation for Israel abroad. For an arrangement that looked, when launched, to be a "Government of national impasse," that record was excellent. Shimon Peres had made many bricks with little straw. This makes it all the sadder still that peace with Jordan and a solution for the Palestinian problem remain a receding horizon.

Shamir's Tasks

By Ehud Olmert

JERUSALEM — Today, on the official day of "rotation," Prime Minister Shimon Peres will voluntarily cede his seat to his former rival, Yitzhak Shamir, and the leadership of Israel's National Unity Government will pass from the Labor Party to the Likud bloc.

The key to Mr. Peres's success at the head of the Government was his manipulation of the unusual political consensus that has emerged in Israel in the last few years. That consensus, which gave him significant freedom of action in dealing with both internal problems and foreign affairs, can be expected to survive the rotation and buoy the new Prime Minister much as it buoyed his predecessor. As Mr. Peres's deputy prime minister and his partner in the National Unity Government, Mr. Shamir shares considerable credit for the accomplishments of the coalition, and by and large he can be expected to continue on the course set by Mr. Peres's Government.

Still, the two are very different

Ehud Olmert is a member of the Knesset and a close adviser to Prime Minister Yitzhak Shamir.

men, with different ideological backgrounds and different visions of Israel, and Mr. Shamir's Government will surely pursue a number of new political directions.

As it happened, the differences between the two leaders did not present much of a problem in the last two years — but this was thanks, mainly, to events well beyond their control. Formally, Mr. Peres was bound by a very rigid coalition agreement that could have significantly limited his freedom of action, particularly in foreign affairs. As it turned out, however, the intransigence of Israel's Arab neighbors limited most of his opportunities and thus permitted Likud to be both cooperative and flexible in allowing Mr. Peres to do what he could to promote negotiations with Arab leaders. This meant that the most significant differences between Likud and Labor had no occasion to come to the surface. This may or may not continue to be true during Mr. Shamir's scheduled two years in office.

Mr. Shamir's major task will be to protect the coalition's achievements — particularly in the economic arena — and to maintain at least the same level of good will toward Israel as exists today in the Western world and particularly in the United States.

Mr. Shamir himself is not unknown in America. He has a good rapport with the Reagan Administration, established during his tenure as Foreign Minister (1979 to 1985) and his one previous year as Prime Minister

(1983 and 1984). Some of the most important achievements in Israeli-American relations — the treaty establishing a free-trade zone, the emergence of significant strategic defense cooperation and the conversion of much of our foreign aid from loans to grants — were all reached when Mr. Shamir was Prime Minister. He will make enormous efforts to protect those achievements and to make sure that the United States' commitment to Israel does not shrink under his leadership.

He can be expected to avoid any unnecessary military action on Israel's northern border and to support Defense Minister Yitzhak Rabin's policy there — a careful, restrained policy of occasional tactical air attacks inside Lebanon. Mr. Shamir has no intention of plunging again into the Lebanese mud with Israeli troops. He will also undoubtedly seek to cool off tensions between Israel and its most dangerous enemy, Syria. He must do so if he is to avoid hostilities that might inflame the entire Middle East.

Mr. Shamir's greatest dilemma will concern the future of Judea, Samaria and the Gaza district. Unlike Mr. Peres, he does not believe that comprehensive peace with Jordan is attainable, and he will certainly resist holding the international conference envisioned by his predecessor — talks that might have included the Soviet Union and even representatives of the Palestine Liberation Organization.

Mr. Shamir sees little point in repeating Mr. Peres's futile attempts to attract King Hussein of Jordan to the negotiating table. The new Government will not rule out the possibility of direct negotiations but will probably seek to make better use of the passing time. Mr. Shamir is simply not the sort of man who makes hopeful statements about peace when he

Some new political directions

knows they carry no real chance of success.

His approach will be to call for better cooperation with local Palestinian leaders — moderate men who are not alien to the national aspirations of the Palestinians and yet may be ready now to enter into practical, day-to-day cooperation with Israel. Mr. Shamir is prepared to encourage such cooperation to improve the quality of life for the inhabitants of the West Bank.

In line with this approach, he can be expected to seek a dialogue with non-P.L.O. Palestinian leaders. He has already offered to consider further concessions to facilitate trade between the West Bank and Jordan. And he will surely continue to allow free political expression in the West Bank — as long as it does not interfere with Israel's security needs.

Mr. Shamir has already made clear, in the agreement forming the coalition Government, that Israel will establish only five more settlements in Judea, Samaria and the Gaza district in the next two years. The new Government is also committed to avoiding unnecessary confiscation of private property — only for security needs and only within the constraints of international law.

Mr. Shamir will nevertheless wage an all-out war against the P.L.O. and other terrorist organizations, both in the West Bank and outside it. He believes that a comprehensive and lasting peace would end all sorts of hostilities in the Middle East, but he sees such peace as a dream for the distant future. And, in the meantime, he knows it is essential to weaken and if possible eliminate terrorist groups if Jews and Arabs are to coexist peacefully.

I myself believe that Yitzhak Shamir's Government will lay the foundation for Palestinian autonomy in the West Bank. I am convinced that such autonomy will emerge eventually out of the status quo, whether within a formal agreement between Israel, Jordan and Palestinian leaders or without such agreement. In my view, this is inevitable, for Israelis remain unwilling to control and dominate the Palestinians, even as we remain unable, because of our security needs, to withdraw completely from the territories where they live.

The Land Is Our Land

By Robert L. Bendick Jr.

PROVIDENCE, R.I. — I was standing in a field of wildflowers on Beavertail Point at the entrance to Rhode Island's Narragansett Bay. The sun was sparkling on the water and, just offshore, terns were diving above a school of bluefish. A car with out-of-state plates pulled into the parking lot behind me. A couple got out, walked over and after only a few minutes of small talk the man said: "You know, it's beautiful here. Is any of this land for sale?" I replied, "This is a state park." But I knew they wouldn't give up, because up the road, across the bay and all along the New England coast the land is for sale and somewhere they would find a piece of a farm, beach or bluff to buy, build on and make their own.

Since the landing of the first European settlers on our coast more than 350 years ago, much of American history has been a close (often passionate) relationship with a varied, beautiful and powerful land. That relationship continues to define how we think of ourselves. Watch the soft drink,

fast food, beer and car ads on television — filled with farmers, cowboys, sunsets and mountains, with fishing at the lake and driving down country roads. The advertising people have examined how Americans think more carefully than anyone else. They know we associate the outdoors with family, good times and good feelings about ourselves.

But the image of this country seen on those ads has become increasingly hard to find in the real America. Around the metropolitan areas where most of us live, and near the oceans, lakes and mountains where we go to relax, the countryside is being consumed by urban sprawl and by second homes and resort townhouses that only a few can afford.

Fueled by a growing national population, the decentralization of economic activity and increasing affluence, these development trends will continue until, in many parts of the country, there will be far too little open land for far too many people. And there is more to all this than simply losing a nice view or a place for a father and child to go fishing on Sunday afternoon. We are learning that healthy natural systems process pollution and reduce its impact. As the shores of our rivers and bays are developed, wetlands filled and trees

cut down, we damage the water and air quality upon which we depend.

The loss of our rural and open space is irrevocable. Once subdivided and built on, beaches, river banks, foothills and lake shores will never in our lifetimes be restored. Yet despite the finality of land development, despite the accelerating loss of open land, despite the place we hold in our hearts for the outdoors, we have no

But it's being gobbled up

functioning national program for preserving open space.

In 1985, President Reagan appointed a Commission on Americans Outdoors, which was charged with gathering information and making recommendations on the future of outdoor America. The commission is now discussing its final proposals for presentation to the President by the end of this year. Some options seem promising:

1. A grassroots effort administered by state and local governments to determine what open land should be saved and how it can be made accessible and usable by the public.

2. Creation of a permanent National Trust Fund that could provide up to \$2 billion a year for preserving and caring for open space.

3. Establishing a system of greenway parks along mountains, rivers, lakes and ocean coasts that would provide large-scale outdoor recreation opportunities to metropolitan area residents while also protecting water quality.

4. A broadening of traditional park concepts to include farms and other privately held land as part of greenway districts.

5. Design of transportation systems to allow urban area residents to more easily use regional open land reserves.

The commission should recommend these ideas to the President and to Congress. In doing so, it can seize the last opportunity to complete the unfinished work of the 19th century conservation movement — to save the open land people will need in the centuries to come — to fish, to canoe, to walk, to be alone, to feel the spirit of the pioneers who defined our national character.

Samuel W. Lewis, Ambassador to Israel from 1977 to 1985, is a diplomat-in-residence at The Johns Hopkins University's School for Advanced International Studies.

Robert L. Bendick Jr. is director of Rhode Island's Department of Environmental Management.

National Theater's Stormy Decade

By BENEDICT NIGHTINGALE

When Britain's National Theater was formally opened a decade ago, it was with plenty of razzmatazz: champagne, fireworks, trumpeters, everyone who was anyone in the audience, and a gigantic fiasco on stage. Indeed, the Queen herself was there, sitting unsmiling through a performance of Goldoni's "Campanello," which the theater's director, Peter Hall, later confessed went very badly indeed. The actors were like men struggling through a nightmare. When he and his company celebrate the building's 10th anniversary later this month, it will be a very different occasion. Those who happen to be visiting one of the National's three constituent theaters will be offered a glass of wine and a slice of birthday cake in the foyer after the show — and that, more or less, will be that.

The contrast seems deliberate. After 10 years of struggle and crisis the theater has learned to avoid displays of hubris. After 10 years of successfully surviving struggle and overcoming crisis, it is, however, entitled to a show of quiet satisfaction. It may not have pleased everyone; but it can claim to have found its feet, stayed on them and gradually made itself what it is today: an indispensable part of the theatrical life of London, Britain and, indeed, the western world.

That achievement is especially remarkable, given the

acrimony the new building generated from the start. Two centuries after David Garrick called for a British version of the Comedie Française, 70-odd years after Shaw and Galsworthy and others began to crusade seriously for a National Theater, 30 years after Parliament had given its imprimatur, the dream itself had finally and literally become concrete — and many of the cognoscenti had decided it was precisely what they didn't want. Was it really worth the \$30 million it had finally cost to build, and the daunting subsidies it would need to function? Wasn't exciting drama more likely to thrive in attics, basements, parks, streets, than in grand new edifices? And shouldn't a genuinely "national" theater consist of a series of companies that traversed the nation, not a cultural Oz ensconced beside the Thames?

This last view was most forcefully put by someone alarmingly close to home. In 1973 Peter Hall had taken over the National Theater company created a decade earlier by Laurence Olivier, and was preparing for its move into the new building. One of those he first brought into his directing team was Jonathan Miller, a lieutenant who grew increasingly disaffected, and became — and remains — the National Theater's most articulate critic. Its architect, Denis Lasdun, might talk of creating "caves in the hillside, layers of stone beside the river, with the spiritual quality, the wholeness you find when you walk into a cathedral." Mr. Miller could see only a big, impersonal, financially pampered institution, "doing to London what the Luftwaffe failed to do." It was an extreme ex-

pression of an opinion pretty widely shared in the late 70's.

It hardly helped that the company's switch from its original London home, the shabby but attractive Old Vic Theater, was accompanied by a drop of standards. Peter Hall's own production of "Tamburlaine," with Albert Finney in feisty form as Marlowe's warrior-tyrant, was warmly enough received; but "Il Campiello" got dreadful reviews, as did Thomas Bernhard's "The Force of Habit" and Edward Albee's "Counting the Ways." The company's first performance of Shakespeare in its new building, "Julius Caesar," was an unequivocal disaster. Even those well disposed to Peter Hall personally, and politically unprejudiced against the theater, were tempted to make the obvious connection. Perhaps there was something inherent in the building which made it impossible to rediscover the assurance evident in many Old Vic productions. How could members of a 100-strong company, alternating between three stages, so much as get to know one another, let alone act together with mutual confidence and understanding?

The years since have proceeded to prove the doubters wrong, but not altogether wrong. Only the smallest and most informal of the three constituent theaters, the 400-seat Cottesloe, has as hospitable a feel as the Old Vic; and it can scarcely be coincidental that it was here that one of the National's house directors, Bill Bryden, transformed a group of actors into something that might almost be called an ensemble, a subdivision of the company with a direct, unfussy style of its own. They presented the Hall regime with its first (and, some would say, still its greatest) artistic triumph in 1977, an updated cycle of medieval miracle plays in which colliers, railroadmen, clerks and other contemporary workers moved among the audience, presenting scenes from Old and New Testaments. A later "promenade production," this time evoking 19th-century life, and a free-wheeling adaptation of Michael Herr's Vietnam testament, "Dispatches," were scarcely less successful. That, and other work at the Cottesloe, remains the best answer to those accusing the National of over-theatricality of performance.

Certainly, nothing comparable could be achieved at the 890-seat Lyttelton, with its prosaic stage the most conventional of the three theaters. Yet it is here that Hall painstakingly established the reputation for good, sound, reliable work that, despite the odd artistic glitch, continues to be the minimum now expected of the company or offered by it. When it's time to revive Galsworthy, Maugham, early Shaw or another naturalistic playwright, the Lyttelton is the place. But the theater has not always been so predictable or obviously dutiful. Harold Pinter's "Betrayal" was given its premiere here, as were David Hare's "Plenty," Howard Brenton's Marxist "Weapons of Happiness," Tom Stoppard's "On the Razzle" and Alan Ayckbourn's "Bedroom Farce" with its three parallel sleeping-chambers, each offering a parallel picture of marital disarray.

But it's the Olivier, the 1,200-seat replica of the amphitheater at Epidaurus, whose merits continue to provoke the most disagreements. There are those who call it unworkable, and not just because some of the stage machinery doesn't work adequately, notably a revolve that makes the neighboring Cottesloe rumble as if hit by an earthquake. Certainly, its vast acreage has caused directors problems when they've sought to focus the audience's attention on the intimate emotion, the less-than-epic situation. There have been awful flops here — that "Campanello," a recent travesty of Brecht's "Threepenny Opera" — but also some majestic achievements, notably Richard Eyre's revival of "Guys and Dolls" and Peter Hall's staging of Aeschylus's "Oresteia" in 1981. That production, played as it was entirely in masks, provided

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another answer to those who have accused the National of playing safe — and also showed the discipline, the assurance, the cohesion the company has acquired since those first, nervous days.

Nevertheless, with an acting corps that has sometimes numbered 150, and constant turnover inside it, the National as a whole has never acquired the clear identity, the consistency of performance style that has marked its great rival, the Royal Shakespeare Company. A recent break-up of the company into autonomous units — so that the same troupe assayed Webster's "Dutchess of Malfi," Chekhov's "Cherry Orchard" and Sheridan's "Critic" — has yet to achieve this end.

One reason, of course, is that the R.S.C. has a strong, distinctive house dramatist to give a center to its work: Shakespeare himself. Another is that it has long relied on a small core of directors, men who have given the company continuity and unity, as well as stamping their own personalities on its work.

In Olivier's day it was said that the National was an actor's theater, the R.S.C. a director's company; and the distinction, while less obvious, still seems helpful. Certainly, there have been some remarkable individual performances during Hall's regime: Paul Scofield as Othello and as Salieri in Peter Shaffer's "Amadeus"; Ian McKellen as the tormented Platonov in Michael Frayn's adaptation of Chekhov, "Wild Honey" which is to open in New York in December; Michael Hordern in Sheridan's "Rivals"; John Wood as Richard III; Anthony Hopkins as a megalomaniacal newspaper magnate in "Pravda" by David Hare and Howard Brenton; Peggy Ashcroft in Beckett's "Happy Days," and Ralph Richardson as Ibsen's "John Gabriel Borkman."

Actually, Hall has proved more hospitable to major talent than Olivier, who was in some respects the dominant actor-manager of the old school, but Hall's reward has been recurrent accusations of an excessive dependence on stars.

But what probably makes it hardest to give the National any precisely defined identity is its own view of its aims. These include presenting "classic, new and neglected plays from the whole of world drama," "doing experimental work and work for children and young people," and touring in Britain and overseas. That demands a variety of offerings greater than at the R.S.C. or most other theaters. Indeed, one might say that the National's identity is, or should be, its diversity. In the end, the question to be asked of the last 10 years is: how successfully has the theater demonstrated that?

The obstacles have often been considerable: internal wranglings, strikes of the stage staff and, above all, persistent worries about money. The Government-funded Arts Council currently gives the National \$11.7 million, roughly half its operating costs. But increases in grants haven't kept pace with inflation in recent years, with several unsettling results. Productions are down: about 18 a year now, compared with 38 in what was admittedly the exceptionally prolific year of 1977. The Cottesloe was closed for several months as an economy measure in 1984.

Seat prices, currently at \$19 top, may seem low to Americans, but they're higher than the National's management would like, wishing as it does to increase the social spread of its mainly middle-class, well-to-do audience.

Blues Expatriates of Paris: America's Jazz Exiles

By SAMUEL G. FREEDMAN

In the best sense of the term, Bertrand Tavernier's film "Round Midnight" is an exercise in ancestor worship. The character played by Dexter Gordon, himself a leading jazz saxophonist, is a composite of two of his stylistic forebears, the pianist Bud Powell and the saxophonist Lester Young. The film makes knowing references to such musicians as Herschel Evans and Coleman Hawkins, to such clubs as Birdland and the Blue Note, and even to the wife of the saxophonist Charlie Parker, whose name, Chan, is coyly given here to the character of Mr. Gordon's daughter.

But the moral weight of "Round Midnight" derives from more than the accumulation of detail. In telling the story of the fictional Dale Turner (Mr. Gordon) — a gifted and self-destructive musician admired in France as he never was in the United States — "Round Midnight" summons up one of the sad paradoxes in jazz history. For almost as long as this American music has existed, many of its foremost figures have chosen to live in exile, from Sidney Bechet in the 1920's to Johnny Griffin in the 1980's, and, for a 14-year period ending in 1976, Dexter Gordon.

The jazz expatriates acted out of a sense of imperative, of necessity — the necessity to work, the necessity to be accepted as an artist, the necessity to be treated as a human being. Leaving one's own country is never a simple decision, and for a jazz musician it meant losing contact with not only friends and family but the social, racial and musical wellspring of the sound. "Round Midnight" sets forth that conflict in its opening scene. Dale Turner tells a dying musician named Herschel (clearly based on Herschel Evans, the influential



Dexter Gordon in "Round Midnight" as Dale Turner, a character based on Bud Powell and Lester Young

swing, and the musicians demanded the status of artists rather than entertainers. So intense was life in the crucible that many emerged from it scarred. Bud Powell more than most. When Powell left the United States for Paris in 1959, he was an alcoholic and an occasional patient in mental institutions — a situation that many jazz musicians and historians attribute largely to the effects of a beating inflicted by the Philadelphia police in the late 1940's. While in Paris, Powell was befriended by a young French graphic artist, Francis Paudras, who is the basis for the "Round Midnight" character of Francis, played by Francois Cluzet.

Paudras cared for Powell and took him into his own home, as Francis does for Dale in the film. Although Powell recaptured some of his musical brilliance under Paudras's attentions, he did not thrive quite so much as the film's Dale Turner. While in Paris, Powell contracted tuberculosis, and his marriage broke up. Homesick, he returned to New York in 1964, where he resumed drinking and slid back into madness. He died two years later.

In its broad strokes, if not all of its extremities, Bud Powell's experience is emblematic. The drummer and author Arthur Taylor filled an entire book with interviews of past and present expatriates, and their testimony is eloquent indeed. (This volume, "Notes and Tones," is out of print, but can still be found at Drummer's World, Liberation Books and the Mehu Gallery in Manhattan.) Few of the jazz musicians who moved to Europe initially intended to do so. Most visited the Continent for limited tours and, finding an appreciative atmosphere, decided to stay. From overseas, the problems of America stood in painfully clear relief.

"I'm not sure the music was that much more accepted in Europe than it was here," said Dan Morgenstern, the director of the Rutgers University Institute of Jazz Studies. "But because of the racial barrier, black musicians almost always made less money than whites and had to work worse venues. In order to make a living in the United States, you had to tour the South. And you can imagine what a trial that was."

Jazz history abounds in racial horror stories from both sides of the Mason-Dixon line. "Round Midnight" alludes to the World War II court-martial of Lester Young, an action widely regarded as retribution for his his marriage to a white woman. While touring with the Artie Shaw band, Billie Holiday was ordered to use the service elevator in the group's hotel. The trumpeter Miles Davis, like Bud Powell, received an infamous beating from the police.

Against such indignities, a European welcome struck many musicians as an epiphany, a confirmation of self-worth. "I remember getting off the plane on my first visit to Amsterdam," said Mr. Griffin, who has lived in Europe since 1962. "As I was going down the stairs, I saw all these photographers on the runway, taking pictures. I was trying to figure out if some ambassador or world figure was behind me. Then I found out they're there taking my picture for

the front page of the paper. This kind of attention was totally foreign to me."

Mr. Gordon's sojourn in Europe began when the English musician and club owner Ronnie Scott invited him to play in London in 1962. From there, Mr. Gordon continued on to Copenhagen. "It was love at first sight," he recalled. "Imagine the feeling. Imagine the feeling. Jazz music was really the low man on the totem pole in America, except in a particular circle. Over there, it's that feeling for the 'artiste' the Europeans have. I never got a bouquet of flowers in my life before I went to Copenhagen. The first time, I thought, 'What does this mean?' I wanted to give it back. It was so totally unexpected."

Europe also offered pronounced commercial advantages, particularly when the American jazz scene began wilting under the assault of rock-and-roll. Mr. Taylor remembers arriving in Paris unannounced in 1958 and within days lining up four weeks of work, seven nights a week. In the United States, a musician of his caliber would more commonly get three to five nights of work at a club before trekking on to the next city, provided there was a next city. And from the guitarist Django Reinhardt and the violinist Stephane Grappelli in the 1930's to the bassist Niels-Henning Orsted-Pedersen and the pianist Michel Petrucci today, Europe has developed at least some jazz musicians capable of holding their own alongside the American masters.

Beyond live shows, most European nations supported state broadcasting services that played a great deal of jazz and maintained live jazz bands, for which American expatriates often wrote and arranged. A substantial recording industry developed in Europe, and even today many of the leading jazz labels are based abroad — ECM (West Germany), Steeplechase (Denmark), hat Hut (Switzerland) and Soul Note and Black Saint (Italy).

While the European jazz network nourished American expatriates, it also led them to draw bitter comparisons to their homeland. As Don Byas said in "Notes and Tones": "I can't get mad at anybody, but I can get mad in my music. When I play, I can allow myself to get mad. This cat asked me the night before I left [the United States]. 'When are you coming back?' I said, 'When they build a bridge.'"

Yet many musicians have come back, and it begs the question why. Dexter Gordon, who was such a hero in Denmark that the locals dubbed him "The King of Copenhagen," missed the American black community. "The happiest moments in Europe," he said, "were when you'd run into other cats and bands and someone would say, 'Hey, you long, tall... Or the get-togethers when someone would get a care package from home — red beans and greens and grits. Just that taste of home.'"

Many of the musicians who actually lived in Europe discovered that no country or continent had a monopoly on ethics. Musicians who were adored on arrival found that the adulation faded when they were no longer novelties.

Capital Punishment

BY A. J. SANTORA/Puzzles Edited by Eugene T. Maleska

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field of study at the BA or graduate
level.
Most of the students are under-
graduates and their knowledge of
Hebrew is, at best, minimal. Thus,

If New York symbolizes continui-
ty with the Jewish past, Los
Angeles represents the emergence
of a new Jewish America... The
second Jewish America is distincti-
ve in that it has no significant
Jewish roots (and) its cultural
heritage is more Wild West than
Lower East Side.

Bruce A. Phillips,
American Jewish Year Book 1986

As California goes — according
to the common wisdom — so goes
the rest of America.

Alan M. Fisher and
Curtis K. Tanaka,
Ibid.

AMONG THOSE who will help
shape the future of the "second
Jewish America" is a new generation
of rabbis whose members have
assumed the leadership of four of the
most prominent Los Angeles syna-
gogues during the past year.

The four rabbis, ranging in age
from 39 to 51, share the general
optimism of their region, tempered
by concern over conflicts between
the main branches of Judaism and
over deep-rooted communal prob-
lems. For if Los Angeles is the future
of the new Jewish America, the
prospect is not wholly pleasing.
Among the 500,000 Jews of the met-
ropolitan area, only a fourth belong
to a synagogue (compared to more
than 40 per cent in New York, Phi-
ladelphia and Boston). Less than
half (44 per cent) have any recogniz-
able contact whatsoever with the
Jewish community. Only 14 percent
respond to the appeals of the United
Jewish Fund, about half the figure
for New York.

Not all the statistics and observa-
tions are dour, but many tend to be
contradictory. There is a noticeable
revival of religious interest by the
fourth generation, the great-
grandchildren of the immigrants, at
the same time that 40-49 percent of
their number intermarry.

There is a sense of communal
oneness, with support for Israel as
the binding glue, though just about
everyone writes his own definition of
Jewishness.

"The tendency is to mix jogging,
feminism, careers and meditation
into individual prescriptions for Jew-
ish identity," observed Dr. Neil S.
Sandberg, author of a comprehen-
sive sociological study of L.A. Jews.

Above all, Los Angeles Jewry is
fluid, experimental and young.
While a handful of Jews were
counted in the first census of 1850,
the big push came between 1940 and
1950, when an astonishing 168,000
Jews moved to L.A., almost instan-
taneously tripling the size of the Jewish
population.

RABBI HARVEY J. FIELDS, born
in Oregon, is a believer in the basic
California tenet that the horizons are
unlimited. "By the turn of the cen-
tury," he predicts, "the area from
Santa Barbara to Los Angeles to San
Diego — a stretch of 225 miles along
the southern California coast — will
have the largest concentration of
Jews in the United States."

Last October, Fields became the
senior rabbi at the Reform Wilshire
Boulevard Temple, the largest, as
well as the oldest, congregation in
Los Angeles, with a membership of
2,500 families. Next year the con-
gregation, founded a bare 12 years
after the State of California became
part of the United States, will cele-
brate its 125th anniversary — an era
by Los Angeles reckoning.

The 51-year old Fields was origi-
nally lured from his pulpit at the
Holy Blossom Temple in Toronto by
Rabbi Edgar F. Maginn. Fields has
now inherited the mantle of the man
who built the modern temple and
congregation during a reign of 68
years, from 1915 until his death in
1983.

The almost legendary Maginn
attracted the movie moguls of the
1930s and 1940s to his temple and
was fondly dubbed "The
Archbishop of Hollywood."

From his office, Fields oversees
not only his vast congregation, but
also a religious school spread over
three campuses, two summer camps,
an adult-education programme and
an exhibition centre. Building on
another Maginn tradition as emis-
sary to the gentiles, Fields works
hard at building coalitions with
Black, Christian and Moslem clergy.

In addition, Fields is one of the
principals in a national commission
creating new liturgies for the Reform
movement. He observes an increas-

Whither U.S. Jewry?

Riding waves of the future

LOS ANGELES LETTER / Tom Tugend



Clockwise from above: Rabbis Harvey Fields, Abner Weiss, Joel Rembaum and Allan Schranz — sharing a general optimism.



ing demand by lay people to partici-
pate in religious services and be-
lieves that "within the liberal move-
ment, there is a deeper appreciation
for Jewish spiritual roots and a hun-
ger to express Jewish traditions."

THE MOST cosmopolitan of the
newly installed rabbis is Dr. Abner
Weiss of Beth Jacob Congregation,
the largest Orthodox synagogue in
the Western U.S.

A native of Johannesburg, South
Africa, the 48-year old Weiss grew
witness to the range of his intellec-
tual curiosity as an undergraduate at
the University of Witwatersrand. By
special permission of the academic
senate, he took four full majors
simultaneously in English literature,
Hebrew language and literature,
world history, and psychology.

He left his native land and his post
as chief minister of the Durban Uni-
ted Hebrew Congregation in 1976,
despairing that the apartheid system
would not change fast and far
enough. "I did not want my children
to grow up in that environment," he
says.

'It's in to be ethnic'

Weiss takes as his model Dr. Louis
I. Rabinowitz, his former mentor as
Chief Rabbi of South Africa, who
was known for his fearless sermons
against apartheid and his outreach to
unaffiliated Jews.

"The great problem of the Jews,"
says Weiss, "is not their differences,
but the indifference of so many," a
problem especially acute in Los
Angeles. Weiss has fond memories
of and admiration for South African
Jewry, now "a community in agony,
built on moving sand," and he is
trying to adopt some of its strengths
to his new congregation.

"In South African congregations
we depended more on volunteerism,
while Americans depend more on
the professionals," he says. He is
pleased that a recent Beth Jacob
retreat was organized and run entire-
ly by the 80 participants.

RABBI JOEL E. REMBAUM, a
native Angeleno, has returned to
Temple Beth Am, a Conservative
congregation where he celebrated
his becoming a bar mitzva.
For the previous 15 years, Dr.

Rembaum had been a history profes-
sor and dean at the University of
Judaism. Now that he has completed
his lengthy "detour" and is back in
the pulpit, his stress is still on educa-
tion. His goal, says Rembaum, is not
only to teach the children in the Beth
Am day and religious schools, but to
educate the entire family.

"One of the pitfalls is our tenden-
cy to infantilize Jewish education,"
he says. "Judaism, however, is an
adult religion, a very complex and
sophisticated religion."

Rembaum has been involved in
the Los Angeles Jewish community
for nearly all of his 42 years. He
serves on numerous committees of
the Jewish Federation Council, the
umbrella organization of the orga-
nized community. "During the past
decade, the Federation leadership
has moved light years ahead and has
been very supportive of the syna-
gogues and rabbis," he says. "It has put
Jew back into Jewish Federation, so
that Los Angeles is now in the
national vanguard of federation-
synagogue relations."

THE NEWEST of the new rabbis is
Rabbi Allan Schranz of Sinai Tem-
ple, the oldest and largest Conserva-
tive congregation in Los Angeles.

Born in Manhattan and raised in
the Bronx, the 39-year-old rabbi
crossed the continent three years ago
to serve a San Francisco syna-
gogue and was offered the pulpit of
Sinai Temple in July.

In common with his colleagues, he
sees the primary role of a rabbi in the
classical sense as a "teacher and
preacher" and regrets the heavy
administrative load carried by most
spiritual leaders of large congrega-
tions.

Changes in America, says
Schranz, have made Jews both more
secure as citizens and more eager to
identify with the Jewish community.
"America is no longer a melting pot
and it's in to be ethnic," he
observes. "At the same time there
has been a breakdown in the Ameri-
can ethos, so that people look for
spiritual values to their own ethnic
communities."

Occasionally questioned on his re-
lative youth as the leader of a con-
gregation, Schranz replies that rab-
bis of previous generations probably
assumed their pulpits at about the
same time of their lives as the pre-
sent ones. "What has changed is that
in our youth-oriented culture, I, as a
rabbi, can dress and express myself
as a younger person," he says. "One
or two generations back, I would
have been expected to dress and

bear myself with more formal digni-
ty. In any case, we must retain our
respect for age. I say that for partial-
ly selfish reasons, because I hope to
become a very old rabbi."

A COMMON THREAD of concern
running through the rabbis' con-
versations is the danger to Jewish
unity posed by strongly felt differ-
ences between the Orthodox, Con-
servative and Reform branches of
Judaism. In particular, the rabbis are
deeply worried by the rising acrim-
ony between the ultra-Orthodox
and the less-observant in Israel.

The question was put to the four
men: Could a new generation of
rabbis, working within the Los
Angeles climate of tolerance for di-
verse beliefs and lifestyles, take a
lead toward resolving the differ-
ences? Some responded more hope-
fully than others, and all pledged
their best efforts, but the majority
answer was a qualified no.

Most optimistic is Rembaum.
"We (rabbis) share an open-
mindedness, a positive outlook on
tradition, and strong academic back-
grounds," he says, and notes in pas-
sing that he lives on the same street
in Beverly Hills as Rabbis Weiss and
Fields. There are some extremist
Orthodox elements, Rembaum con-
tinues, but they are not in the main-
stream and rarely take part in com-
munity activities.

More typical, he says, is the coop-
eration shown when Rabbi Weiss' con-
gregation wanted to establish an
eruv to extend the permissible Shab-
bat carrying area for observant Jews.
When the Beverly Hills city council
balked, Conservative and Reform
rabbis joined the Orthodox in mobi-
lizing their congregations to petition
the councilmen. The eruv is now in
place. Similar mutual support has
been noticeable in presenting joint
proposals to the Jewish Federation
Council.

"I think we can make a difference
in resolving the problem," says
Rembaum.

Weiss, who described his position
as "centrist Orthodox," is less sanguine.
While Los Angeles may be a
tolerant place in most respects, basi-
cally "there is no less sense of fric-
tion (between the three branches)
here than in New York," he says.
"My colleagues and I get along very
well, but we don't hold theological
discussions."

Weiss recalls with some bitterness
a recent rabbinical mission to Israel,
sponsored by Israel Bonds, during
which "every talk by government
officials was laced with anti-
Orthodox barbs."

He endorses the idea of a national
beit din (rabbinical court), suggested
by a number of Orthodox thinkers,
to lay down common standards for
marriage, divorce and giur (conver-
sion to Judaism). Even if such a
beit din were convened, however,
"realistically, most of the give would
have to come from the non-
Orthodox, especially the Reform,"
says Weiss, adding, "It's an awe-
some issue. I am scared that the
Jewish community will split not just
into two but many parts."

FIELDS PERCEIVES the same
danger, but ascribes it mainly to the
Orthodox refusal to recognize the
Reform movement and engage in
"meaningful dialogue." He hopes
for some "serious exchanges" with
Orthodox colleagues, but asserts
that he sometimes finds it easier to
communicate with the Black and
Christian clergy.

While Fields sees no pat solution,
he insists that "a teacher and pre-
acher" and regrets the heavy
administrative load carried by most
spiritual leaders of large congrega-
tions.

Schranz expresses similar urgency
but fears that the basic forces under-
lying the conflict are larger than the
personal goodwill of individual rab-
bis. He points to the example of
Denver, in which representatives of
the three branches tried to arrive at
a common approach to giur. The
attempt failed because of pressure
from the community and the separa-
te movements.

"The individual Orthodox rabbi,
especially, is limited in what he can
do because of the consequences he
would face," Schranz believes.

Nevertheless, while Schranz is an-
xious about the immediate future, he
believes that in the long run "a
solution must and will be found,
because otherwise the consequences
would be unbearable."

Viewed in the Aggadah (Victor
Aptowitzer); "The Devil and the
Jews in the Christian Consciousness
of the Middle Ages" (Robert Bon-
fil); "The Socio-Religious Orienta-
tion of Sefer Hasidim" (Yitzhak
Baer); "Gershom Scholem: Be-
tween History and Historiography"
(Yosef Dan); "The Ideological
Background of Anti-Semitic Litera-
ture in Russia" (Shmuel Ettinger);
"Mythological versus Systematic
Trends in Kabbalah" (Yeshayahu
Tishby).

Such monographs will help faculty
members teaching Jewish civiliza-
tion to enrich the content of their
courses, particularly when a profes-
sor who specializes in a particular
period or topic is required to teach
courses outside his or her area of
expertise. "Bimah" monographs can
also be used to introduce a Jewish
dimension into interdisciplinary and
general courses in philosophy and
history — presenting Maimonides in a
course on philosophy, or the Jewish
component during the Kultur-
kampf in 19th-century German
history.

A projected series of 144 articles
covering a wide spectrum of studies
in Jewish civilization will make out-
standing Israeli scholarship available
to college students throughout the
world.

The Jewish World page is edited by
Moshe Kohn

MARKET PLACE

KEITH STAFFORD

Far East futures

The start of U.S. Treasury bond futures trading on the Singapore International Monetary Exchange (Simec) marks the opening shots of a battle to dominate financial futures trading in Asia.

Sydney will follow Singapore into U.S. long-bond trading on October 23 but both exchanges know they will be living on borrowed time should Tokyo enter the fray and allow the full development of its own futures markets.

Financial futures trading activity in Asia is mushrooming, both in turnover and the number of new contracts.

This year, the two-year-old Simec introduced futures contracts for sterling, the Treasury bond and the Nikkei Stock Index which is based on the Tokyo Stock Exchange cash market.

Total Simec volume rose to a record 116,767 contracts in September from an August record 74,736, and General Manager Aig Swee Tian said the exchange target for this year of an average 5,000 contracts a day has now been surpassed.

"With the introduction of the long-bond contract it should soon pass the 10,000 mark we hoped to break next year and 20,000 by 1989," he added.

The Sydney Futures Exchange, which emerged from the Sydney Wool Exchange, traded 2.5 million contracts in the first three quarters of 1986 against 746,281 in the same period last year, with the 10-year Commonwealth bond contract the most popular.

In Japan, trading in the yen bond futures contract, the only one allowed at present, touched a total volume of 640,000 billion yen in the first year of operations ended September 30, far above the 500,000 billion expected.

In Hongkong, the Hang Seng Index contract has exceeded expectations since its May 6 introduction, with volume exceeding 10,000 for the first time on October 7 at 10,161.

Traders say fund managers and institutional investors throughout the region are increasing their basis trading, hedging and arbitrage activity and expect the growth of regional markets to continue at a fast pace along with the introduction of new contracts.

For the next six months attention will focus on the clash between the Sydney and Singapore exchanges for dominance of the long-bond contract.

Traders said the one which best establishes its contract in terms of liquidity and open interest stands every chance of becoming the leading futures market in the Asian time zone.

The Singapore contract is identical to the U.S. Treasury bond contract on the Chicago Board of Trade, although it is not fungible and Singapore dealers will operate at night to accommodate rollovers into the U.S. market.

However, the Sydney contract is interchangeable with the Treasury bond contract on the London International Financial Futures Exchange, and Sydney exchange officials say they think this will help them win the race.

Sydney traders argue that they are closer to potential Japanese investors as they trade the Nikkei contract and report growing interest from U.S. brokerage houses.

Japanese institutions with big cash deposits and exposure in underlying cash markets are long-term targets for Asian exchanges trying to develop non-domestic oriented contracts.

However, Japanese residents are barred from overseas futures markets, unlike overseas subsidiaries, and early liberalization is delayed by a wrangle between securities firms and banks.

Traders believe rapid growth of Asian futures will result in compromise but that in turn inevitably will lead to the creation of financial futures markets in Tokyo.

However, Simec chairman Ng Kok Song said the history of financial futures trading suggests a market well established after two years does not lose activity to newcomers. "We hope to capitalize on that window of opportunity," he said.

He said Chicago remains the centre for U.S. futures after New York introduced rival contracts and "I think Singapore... can grow to a point where we could be the equivalent of Chicago with reference to Tokyo in this part of the world."

But the choice is spreading. Osaka's stock exchange plans a futures contract next April based on 50 stocks and the Tokyo Stock Exchange is thinking along the same lines. Simec is studying the introduction of a local stock market index next year and will start trading currency options.

Hongkong hopes to launch a local dollar interest rate futures contract in the first half of 1987 and in November the Sydney Exchange will start a gold futures contract denominated in U.S. dollars. Kuala Lumpur is thinking of a local stock index contract and, in Manila, a new commodities futures market, set to open soon, is eyeing peso/dollar futures trading. (Reuters)

Renewal of Opec quotas now in doubt

GENEVA — Opec's struggle to maintain its tenuous hold over the world oil market looked threatened yesterday by Saudi Arabia's and Kuwait's demands for a bigger share of the cartel's quota.

As oil ministers of the 13 member nations of the Organization of Petroleum Exporting Countries huddled in secret here to discuss pricing and production policies — and specifically whether to renew or reformulate a two-month quota instituted in September — the Saudi cabinet issued a statement calling for an increase in its 4.35 million barrel-a-day quota.

Kuwait had earlier said it wanted to boost its 600,000 barrel-a-day limit. The overall quota for Opec which is due to expire October 31, is 16.8 million barrels daily.

Opec President Rikman Lukman said meanwhile that setting new and permanent oil output quotas, as demanded by Saudi Arabia and Kuwait, was the primary goal of the conference here. "Permanent quotas are the primary goal," he told a news conference. But, he added, if these could not be achieved Opec could consider other options.

As an example, he said, "you can modify the existing agreement."

The Saudis emphasized their eagerness to strengthen Opec and arrive at a decision on quotas but said any new quotas had to include "justice and compensation for the big sacrifices which the government of Saudi Arabia has made for Opec since its establishment until now."

The statement said Riyadh wanted oil prices to go up to \$17-19 a barrel from current levels of just under \$15.

However, the Saudi announcement caused a sharp 70-cent-a-barrel

drop in petroleum prices in New York. On the futures exchange, the price of the U.S. benchmark, West Texas intermediate crude, dropped to \$14.23.

Albert Anton, analyst with Carl H. Pforzheimer and Co. in New York said the Saudi demand at this point in the meeting was an attempt to forestall pressure to trim their output.

"The Saudis have been pressured in the past to trim their output for the good of Opec and moved down from 10 million barrels a day to as low as 2.2 million last July. They could see pressure for them to be the swing producer again."

Meanwhile, *The Middle East Economic Survey* said Opec production could be as much as 1.2 million barrels a day below the current quota ceiling in the fourth quarter of the year.

It said the forecasted drop would come from Iran, where output was hurt by Iraqi air raids on its oil installations and Iraq, whose exports will be cut by a two-month shutdown of Saudi Arabia's Yanbu pipeline.

During the shutdown, which is for repairs, the pipeline will only carry an expected average of around 750,000 barrels a day, the magazine said. That will mean a drop in Iraqi production of around 300,000 barrels a day.

Iran's production was cut back to around 1.4 million barrels a day in September, 900,000 barrels below its Opec quota of 2.3 million. Iran's October output "may well be even lower" because of sustained Iraqi air strikes that have inflicted considerable damage on the country's oil industry in recent weeks, the survey added. (AP, Reuters)

Intercontinental hopes to add kosher kitchen

By GREER FAY CASHMAN

Jerusalem Post Reporter

The Inter-Continental Hotel, situated on the southern slopes of Jerusalem's Mount of Olives, has long been a favorite eating place for residents of the capital and beyond with a penchant for pork, shrimp and other fare not in keeping with Jewish dietary laws.

Now, according to general manager Klaus R. Nickel, the hotel is hoping to attract a kosher clientele and has plans to construct new banquet facilities replete with kosher kitchen. An application was filed several months ago with the Jerusalem municipal authorities, but it has not yet been processed, and until it is the hotel cannot make any concrete move.

The hotel has also applied for a swimming pool permit, and this application is likewise taking several months to process.

Nickel and his sales manager, Shmuel Na'amani, told *The Jerusalem Post* that they wanted to attract the small convention and seminar trade. But travel agents and convention organizers did not refer such business to them because invariably such groups include a handful of participants to whom kosher cuisine is important, they explained.

What the Inter-Continental would like to do is to follow the example of some major overseas hotels, which maintain a separate kosher kitchen under rabbinical supervision for Jewish functions.

The Inter-Continental which has been trying to overcome its image of an Arab hotel, has been succeeding in this objective since the beginning of the year. Quick to realize that tourism from abroad would wane this year, the Inter-Continental as



Klaus R. Nickel (Joel Fishman)

far back as January launched an aggressive domestic market campaign with fairly good results. Last year, the overall average occupancy rate at the hotel was 68 per cent. This year, it dropped to 50 per cent, but the ratio of Jewish Israeli clients went up from 20 per cent to 50 per cent.

Nickel attributed this to sound marketing, good service and facilities and a better choice of food and beverages than at most other hotels.

Interestingly, Nickel said he was eagerly awaiting the opening of the Hyatt Hotel, in East Jerusalem, which he says "is the best thing that can happen to the Inter-Continental." He acknowledged that the Hyatt would take away some of his customers in its first year of operations, but what was more important to him, he said, was that the Hyatt "will upgrade the image of East Jerusalem" and bring more guests there generally.

Elbit manufacturing sensor for use in chemical warfare

HAIFA — A new, advanced chemical-agents sensor, called Chase, designed to protect troops and civilians in case of chemical warfare attacks, is being manufactured by Elbit Computers Ltd.

The company said it had signed a contract with the Defense Ministry to supply it with the sophisticated system and was trying to get its permission to market it abroad as well.

The portable device is said to have an unusually high degree of sensitivity, enabling it to rapidly discover and identify gases, in particular nerve and blister gases.

Military personnel can then mark off contaminated areas, while leaving

them freedom of action in safe areas. The Chase system can also be used to detect natural eruptions of poison gas, such as recently occurred in Cameroon.

Elbit said it was continuing research and development work on the system with a view to establishing a product line.

Women's image as wife and mother is biggest barrier to fair employment

By LEA LEVAVI

Jerusalem Post Reporter

At the heart of the discrimination women encounter in the job market — both in terms of money and status — are society's attitudes towards women. Employers and managers tend to take women employees less seriously; institutions automatically regard the husband as the chief breadwinner in the family and make their arrangements accordingly.

But for those who want to fight sexism in the job market the battle lines are not clearly drawn. Such views towards women are shared by both men and women alike, often unconsciously.

"We had an experience recently where a company wanted chemical engineers but would consider only male students," recalls Nili Barkai, an employment counselor at Tel Aviv University. "We were surprised to discover that the person insisting on male applicants was herself a woman. When we asked her why, she said only that she has had bad experiences with women."

Another institutional set-up discriminating against women was the decision to eliminate the children's allowance for the first child. The emergency regulations said the allowance would not be paid in cases where the husband earned more than 80 per cent of the average wage in the economy.

"Since things involving children are usually considered the mother's province, I asked why the husband's salary, not the wife's, was the criterion," Efroni says. "I never got a straight answer but it's pretty obvious that if they had used the woman's salary 70 per cent of women would be entitled to the allowance and they wouldn't have accomplished the desired savings."

She also complained about the discrimination against women in the income tax ordinance, a law dating back to the British Mandate. "When women started complaining, they threw us a few crumbs by saying we can see our husbands' tax files or file our own returns. Those things are meaningless, though. Sure you can file your own return but the computer will combine your income with your husband's for assessing what you have to pay. If your husband

owes the tax authorities money but you should get a refund, your refund will be cancelled out against his debt. If you are entitled to a deduction for dental treatment, but your husband has just started a new business and doesn't owe tax, you may lose the benefit of the deduction."

She sees the issue as more social than economic, however. "The income tax ordinance makes the married woman an appendage to her husband. It says to her 'you are not a person in your own right.'"

Another example of social status problems faced by working women is a story related by Nomi Nevo at a recent meeting of the women's network.

"I was in the hospital recently and saw that both male and female patients related to women doctors as if they were nurses, calling them by their first names and not showing the same respect they would for a male physician. The women doctors were very angry and demanded to be called doctor, but it didn't help them much."

What can be done about all this? Education of both sexes, from an early age, toward a less stereotyped view of sex roles is always proposed but it is a long-term process. Besides, those responsible for doing the educating are themselves the product of more traditional education.

"Let's be honest," one teacher suggested at a Histadrut Teachers Union meeting on the subject a few years ago. "We want our daughters to find husbands who will help around the house, but we prefer daughters-in-law who won't expect our sons to do the same."

There is also the negative education provided by the media and other external sources. At the same Women's Network meeting where Nevo told her hospital story, another participant complained about a television public service spot on physical fitness for boys, in which high school boys were shown on the sidelines with the girls instead of running. The girls are shown as temptresses, she said, and are assumed not to need fitness because all they're going to do in the army is serve coffee.

Masha Lubelsky, Na'amat secretary-general, suggested better manpower planning and vocational education as ways of opening more opportunities to women in the future. "The trouble is that we are always so busy putting out fires that we don't have time for long-range planning," she lamented.



WOMEN IN THE WORKPLACE

One woman worker said her own boss, a grandmother who has worked all her life, was reluctant to hire married women for fear child-rearing responsibilities would increase absenteeism or decrease job efficiency. But, as Bar-Ilan University Sociology lecturer Dafna Israeli pointed out, some employers shy away from single or childless women. "A single woman is either seen as a misfit or as a potential wife and mother," Israeli said.

On the institutional side, Linda Efroni, a specialist in salaries and employment, discovered how deep-rooted sex discrimination could be and how accepting women were of it.

"I had just had a baby and I discovered how little attention we women pay to our economic rights," she recalls. "There was talk at the time about taxing the maternity pay women get from the National Insurance Institute for their three months' maternity leave. Ostensibly, there was no tax deduction at the source so wage-earners, at least, didn't pay tax on the money. Because I was editing the book and writing about women's

FINANCIAL DATA: ISRAEL, EUROPE, U.S.

ISRAEL MONEY MARKETS

SHEKEL INTEREST RATES
PRIME BORROWING RATE: 1.25% per month
Unlinked Deposit (Annual Rates)

	Last Updated	Tapas	Pakam 7-Day	Pakam 30-Day
LEUMI	10.10	7-13.50%	8-14.00%	8-17.50%
HAPOLIM	25.9	8-15%	10-15.75%	12-14.50%
DISCOUNT	21.9	8-17%	8-17%	8-17.50%
MIZRAHI	8.5	8-16%	8-15%	8-17%
FIRST INT'L	23.7	8-15%	7-17%	8-17%

Rates vary according to size of deposit.
(Tapas: demand deposit paying daily interest.
Pakam: fixed-term deposit available from 7 to 59 days.)

PATAM — FOREIGN CURRENCY DEPOSIT RATES (October 10)

	MINIMUM DEP	3-MONTHS	6-MONTHS	12-MONTHS
USD (\$100,000)	5,250	5,250	5,250	5,250
SDG (10,000 pounds)	9,800	9,800	9,800	9,800
DM (100,000 marks)	3,625	3,625	3,625	3,625
SFR (50,000 francs)	3,125	3,125	3,125	3,125
YEN (3,000,000 yen)	UA	UA	UA	UA

Rates vary according to size of deposit and are subject to change.

SHEKEL FOREIGN EXCHANGE RATES (October 10)

	CHEQUES AND TRANSFERS	BANKNOTES	Rep. Rates
Currency basket	1.4820 1.5010	1.45	1.4919
U.S. Dollar	1.4740 1.4820	1.45	1.4937
Deutsche Mark	0.7357 0.7448	0.72	0.7408
Pound Sterling	2.1048 2.1311	2.07	2.1190
French Franc	0.2246 0.2274	0.22	0.2261
Japanese Yen	0.0507 0.0525	0.04	0.0503
Dutch Florin	0.0512 0.0555	0.04	0.0554
Swiss Franc	0.9037 0.9150	0.89	0.9089
Swedish Krona	0.2146 0.2173	0.21	0.2180
Norwegian Krone	0.2014 0.2039	0.20	0.2024
Danish Krone	0.1952 0.1977	0.19	0.1965
Finland Mark	0.2016 0.2054	0.20	0.2035
Canadian Dollar	1.0638 1.0768	1.06	1.0704
Australian Dollar	0.9404 0.9522	0.93	0.9461
S. African Rand	0.6589 0.6671	0.64	0.6547
Belgian Franc	0.3514 0.3558	0.35	0.3569
Austrian Shilling	1.0481 1.0592	1.03	1.0528
Italian Lira	1.0531 1.0784	1.04	1.0638
Jordanian Dinar	—	4.13	4.2434
Egyptian Pound	—	—	0.8049
ECU	1.5330 1.5521	—	1.5430

SUPPLIED BY BANK LEUMI

EUROPEAN FINANCIAL MARKETS

(October 13)

PRECIOUS METALS

GOLD: LONDON A.M. FX 431.40 P.M. FX 432.60
PARIS NOON FX 430.69 ZURICH P.M. 432.63
SILVER: LONDON FIX 565.30
PLATINUM: LONDON P.M. 584.75
PALLADIUM: LONDON P.M. 139.75

FOREIGN CURRENCY CROSS RATES (London 15.30GMT) (October 13)

	SPOT	2 MTHS	3 MTHS	6 MTHS
DEUTSCHMARK	1.9785/00	47/42	67/62	125/115
POUND STERLING	1.4325/35	112/110	178/175	342/337
SWISS FRANC	1.5137/47	64/59	78/73	150/140
JAPANESE YEN	154.30/40	33/31	44/41	89/80
FRENCH FRANC	6.4840/60	165/175	260/260	520/580
ITALIAN LIRA	1371.00/50	1095/1165	1625/1750	3300/3425
DUTCH GULDEN	2.2355/85	20/18	30/27	61/55
BELGIAN FRANC	41.100/115	10/12	15.5/16.5	30/35
DANISH KRONA	7.4610/80	37/42	59/64	1200/1300
S. AFRICAN RAND	0.470/80	30/23	40/33	80/70
EUROPEAN CURRENCY UNIT	1.0515/20	30/28	43.5/40.5	85/79
FINNISH MARK	4.8435/55	600/60	830/880	1620/1720
AUSTRALIAN DOLLAR	0.5370/75	88/83	123/118	213/207
NORWEGIAN KRONA	7.2750/80	1085/1100	1625/1646	3100/3140

Formula for determining forward rates:
high/low (eg. 220/210) — deduct from spot price.
low/high (eg. 210/220) — add to spot price.

NEW YORK FINANCIAL MARKETS

(October 13)

U.S. MONEY RATES

Prime rate 7.50%; Broker Loan 6.75%; NY Euros 3 months 5 7/8-7 1/4%; Fed Funds (banks closed due to Columbus Day holiday)

NEW YORK FOREIGN EXCHANGE

	DMK	SFR	STG	YEN	CAN
CLOSING	1.9860/70	1.6180/90	1.4335/450	154.40/50	1.3870/75
OPENING	1.9790/00	1.6125/35	1.4320/30	154.19/25	1.3870/75
LATEST	1.9780/90	1.6130/40	1.4320/30	154.20/30	1.3870/75

Comment

The dollar ended lower in very thin trading yesterday. Most New York bank dealing rooms were closed for the Columbus Day holiday and activity on the Chicago Currency Futures Market was light. Bundesbank dollar purchases in Frankfurt failed to impress dealers after recent comments by German central bank and government officials about the limitations of intervention.

ISRAELI STOCKS

TRADED IN NEW YORK:

NYSE and ASE

	Last	Prev. Close	High	Low	Vol ('00s)
Alliance	—	—	—	—	—
Amir Pap	15	15	15	15	1
Ampel	—	1%	—	—	—
Elcom	1%	1%	1%	1%	7
Elz Lavud	—	8%	—	—	—
Laser Inds	10%	10%	10%	10%	14

Over the counter

	last	bid	ask		last	bid	ask
Bank Leumi	—	—	—	Interpharm	—	—	—
Elbit	7	7	7 3/4	Oprotch	—	3 3/4	4 1/4
ECI Tel.	3	2 1/2	3	Rada	—	3 3/4	4 1/4
Elron	5 1/2	5	5 1/2	Sotex	4 1/2	4 1/4	4 1/2
Elronics	6 1/2	6 1/2	7 1/4	Taro-vit	—	3 1/4	3 3/4
IDB Bank	—	—	—	Tevapharm	—	5 1/4	5 1/2
IIS	4 1/2	3 3/4	4 1/2	SPI	—	2 1/2	3

WALL STREET Closing Prices

WALL STREET Closing Prices				
Dow Jones Indices			NYSE Highest Volume	
IND	1,798.23	+ 5.06	PAC CORP	36 - 1/2
TRANS	829.38	+ 5.25	IBM	122 1/2 - 1 1/2
UTILS	195.76	+ 0.58	US XCP	27 - 1/2
STOCKS	717.03	+ 2.76	NIAG MOHWK	16 1/2 - 1/2
NYSE COMP	135.84	+ 0.14	BANKAMER	14 1/2 - 1/2
NYSE IND	155.31	+ 0.17	UNITED TEC	40 1/2 - 1 1/2
S-P 100 INDEX	221.80	+ 0.43	ATT	23 1/2 + 1/2
S-P COMPOSITE	235.51	+ 0.43	CPC INTL	70 + 2 1/2
AMEX INDEX	265.18	+ 2.35	ALLIED STR	8 1/2 + 1/2
			MOBIL	38 3/4 + 1/2

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After Reykjavik

THE propaganda fallout from the collapse of the Reykjavik summit is easier to decipher than the arms control issues themselves. For apart from the secrecy that envelops them, these issues have long since defined an esoteric specialty - however gruesome - for experts.

Both sides are blaming the other for the failure. But Mr. Gorbachev has more to gain from the propaganda war. At home, where he has tried to make a start at dismantling rigidities that retard the Soviet economy, standing tough against Mr. Reagan bolsters his authority amongst those Kremlin chieftains nervous about relaxing centralized economic controls.

And abroad, especially in western Europe anxious about its role as a nuclear war zone, Mr. Gorbachev may assume he can put the U.S. increasingly on the defensive, and weaken NATO. Neither the Labour Party in England nor the Social Democrats in Germany, repositories of anti-nuclear sentiment, may soon reverse governmental directions, but the Soviets know this is opportune ground for portraying the U.S. president as the villain.

Mr. Reagan has fewer points to score. His domestic supporters will cheer him for not submitting to the Russians, but their support is guaranteed in any case. And the Democratic opposition, aside from a minority, will be loath to court public disavowal by criticizing him in favour of the Russians.

Yet, by all accounts, sufficient flexibility on arms reductions was shown by both sides, prior to the final collapse, to suggest that after the dust settles they will look again at the opportunities that did emerge at Reykjavik.

If, as reported, Mr. Reagan's commitment to what is termed the Strategic Defence Initiative, was the sticking point, then it would seem that when some cold and clear thinking is put to bear, room for maneuver may be found. For that programme - a search for a space-based defence against ballistic missiles - is so ambitious, so long-range, and so distant from realization - that its bearing on the nuclear arms balance is, at best, theoretical.

Soviet spokesmen themselves admitted as much, speaking derisively of Mr. Reagan's pipe dream of a nuclear "astrodome" shield. If it is a pipe dream, why did Mr. Gorbachev make suspension of the programme an ultimate condition for all the other elements of an agreement?

It was this that Mr. Reagan apparently could not understand and could not accept. In the American view, this indicated that Mr. Gorbachev either lacked serious intention or was duplicious.

SDI may not be a pipe dream, but it is also not a threat that can be easily entered into nuclear calculations for this and probably the next generation. For Mr. Reagan personally, against considerable domestic opposition, it represents a commitment to ultimately nullify nuclear weaponry, and, failing that, to launch the American economy to a new technological level similar to what was achieved by the space programme. A Russian veto here would, in his view, be a veto on America's technological future.

Precisely because the implications of the programme are so remote, there were those who believed Mr. Reagan was deploying it merely as a negotiating gambit for nuclear arms reductions.

The failure of the Reykjavik summit raises the question, therefore, of why the Soviets made suspension of SDI research their principal demand. Is it, as some have suggested, that they are proceeding with their own SDI research, and view it as the key to the nuclear balance in the future - a key they fear the Americans can find first? Or is it that they believe deadlock at Reykjavik, with attendant propaganda successes, will position them better if and when another round of talks takes place with this U.S. president or the next? Or, simply was Reykjavik another display of Soviet paranoia?

The answers will remain hidden behind the walls of the Kremlin, at least until Mr. Gorbachev decides conclusively that without a nuclear arms control agreement with the U.S. the Soviet economy and Soviet society will continue to stagnate.

SUMMIT

(Continued from Page One)

Arbatov, who earlier in the day had told reporters that the Soviets had made the U.S. negotiators a "historic offer of enormous proportions on nuclear arms," said that at the conclusion of Saturday's all-night meeting of the working group on arms control, in which he had participated, the Soviet negotiators had left feeling "not enthusiastic, but not utterly pessimistic either."

He said that during the following day's talks, tentative agreements were reached on such issues as Intermediate-range nuclear missiles in Europe (INF) and on nuclear testing, but that the entire package had fallen apart over Reagan's insistence on continuing the intensive research and development of his Strategic Defence Initiative (SDI).

The disappointing denouement of the summit came after hours of steadily rising expectations, as Reagan and Gorbachev held an unscheduled fourth meeting at Hofdi House which lasted nearly four hours. Before the start of the meeting, Reagan's press secretary told reporters that Reagan and Gorbachev had "made progress on a wide range of arms control issues," but noted that Reagan was "hanging tough" on a number of issues, including SDI.

In appearances here after the summit, both leaders stressed how close they had come to a historic package deal to end the arms race before the whole deal foundered over SDI. In a press conference with foreign journalists, Gorbachev said of the Reykjavik talks, "This has been a failure,

and a failure when we were very close to a historic agreement." He said the two sides had agreed on cutting strategic weapons by 50 per cent and on the complete elimination of Soviet and U.S. medium-range missiles in Europe, but stressed that "it would have taken a madman" to accept Reagan's conditions on SDI.

In a more conciliatory vein, Gorbachev stressed that the Soviet Union is not withdrawing its proposals, and urged the U.S. Congress and public opinion to override the president on the SDI issue.

Just before departing Iceland for Washington, Reagan told a wildly cheering audience of military families at a U.S. airbase at Keyflavik, "The Soviet Union insisted that we sign an agreement that would deny to me and to future presidents for 10 years the right to develop, test and deploy a defence against nuclear missiles for the people of the free world. This we could not and will not do."

Reagan explained that he had offered Gorbachev a 10-year delay in deployment of SDI in exchange for the complete elimination of all ballistic missiles from the respective arsenals of both nations.

In comment to U.S. reporters after the collapse of the talks, Secretary of State George Shultz said the two sides had approached "a satisfactory manner of addressing regional issues, humanitarian concerns, and a variety of bilateral matters." (see page 3). But discord over SDI had dashed hopes for agreement on any issue.

A SPECTRE stalks the corridors of the Jewish Agency and the World Zionist Organization, arousing hysterical cries of horror and disgust from the right wing. The apparition is the 'Green Line', marking the armistice lines agreed upon between Israel and her neighbours in 1949.

The Herutniks and their even more chauvinistic rivals thought they had laid this grisly ghost to rest forever by simply denying its existence. But it has been rescued from oblivion by Nissim Zivili, a Labour representative on the Executive of the Jewish Agency and head of its Settlement Department, who intends to publish a settlement map showing the Green Line after an almost 20 year absence from official maps of Israel.

Zivili's department, which is responsible for settlement between the sea and the unmentionable Green Line, must not be confused with the Settlement Division of the World Zionist Organization, headed by Mattityahu ("Matti") Drobles, of Herut, who looks after settlement in Judea, Samaria and the Gaza Strip. Why two departments? Settlement on one side of the Green Line is no more and no less Zionist than on the other, of course, but to get full income tax rebates in the United States, Jewish Agency contributions must not be used for activities in the areas that were taken over by Israel after the Six-Day War.

The American tax authorities thus, dictate the organization of the Zionist movement.

WHEN I was working on the 1968 edition of *Facts about Israel*, published by the Foreign Ministry and the Government Press Office, the order came down from above: no Green Line must appear on the map attached to the handbook. It must show only the cease-fire lines, stretching from the Suez Canal to the Golan Heights and along the Jordan River, for the government had proclaimed that, after the defeat of Egyptian, Syrian and Jordanian aggression, the armistice agreements were null and void.

AMERICAN aliya to Israel has been handicapped by the failure to find a way for American Jews to bring their skills and experience to productive and challenging jobs in Israel. There's no easy way to get them into the mainstream of Israel's business life. But if a structure were created to ease their way into the Israeli economic scene, there would be a double dividend, both in greater aliya and a stronger Israeli economy.

Getting more American companies to open factories in Israel is one way. It is good to know that Motorola is planning to open a factory in Arad, and Vishay Intertechnology in Dimona. This will bring American technical, administrative and management personnel to Israel, and I have no doubt that some - perhaps many - will stay.

Israel also needs a vehicle for bringing retired U.S. executives to work on production, marketing and management problems in Israel. This will give a real *raison d'être* for aliya to people who cannot see themselves as new immigrants.

What Israel must do, in short, is to provide opportunities for American Jews to find jobs in their fields - not necessarily as immigrants. Let's get them over here first. There will be an inevitable spillover in aliya as they make friends, get involved, find mates.

READERS' LETTERS

THE ENEMY WITHIN

To the Editor of The Jerusalem Post Sir, - Professor Reuven Hammer's article of October 6, "The enemy within," left me with great confusion, wondering who is "the enemy within." Professor Hammer or those he is supposed to be attacking.

Does he think that he will solve the problems that trouble him by saying "The continued degradation of the Jewish tradition by those who aspire to be its spokesmen, but turn to primitive coercion... ignoring the true nature of Halacha and its processes"? Are these not statements that lead to "the polarization of our populations, creating hatred which is self-destructive"?

Then Professor Hammer veers to other assertions: "Materialism emerges as the basic motivation of those who claim to be idealists." Of whom does he speak? Maybe the kibbutz movements? He even attacks "the ordinary citizen who seems to delight in turning Israel into an imitation of American popular culture, without imitating the American passion for freedom, human rights and democracy." What are his yardsticks for measuring this passion? I think Israel surpasses America in concern for "freedom, human rights and democracy."

Then, Professor Hammer propounds "The Answer" - "A humanistic Jewish culture and society." Shades of Mordecai Kaplan's "Judaism without supernaturalism" - plain atheism. Hammer, however, apparently does believe in a Divine Will with man created in the image of God. By his definitions, however, all would do well to be in the image of Reuven Hammer.

He is apparently unfamiliar with the wealth of halachic response on today's needs which reflect that

"God has given us understanding so that we should use it" and so that we draw wisdom from the ages as well. I wonder why, in all honesty, he really wants: official recognition for the Conservative rabbinate. That would be democracy.

I suggest a few practical steps to achieve that end.

1. Bring a few hundred thousand Jews of his persuasion as the Orthodox have done.

2. Have his seminary give valid *semicha* ordination, which it does not give to its graduates. I know of no Conservative rabbi qualified by his own school to decide on kosher and non-kosher.

3. Have his man stand in the examinations of the chief rabbinate as do Orthodox rabbis.

Then we can debate the validity of a "historical approach to Judaism" which, alas, is rapidly declining and which is, according to Hammer, in need of secularist support.

Rabbi SIMON A. DOLGIN
Jerusalem.

OBJECTIVE VIEW OF CHRISTIAN LIFE

To the Editor of The Jerusalem Post Sir, - On September 26, The Jerusalem Post Magazine published the article, "Call to Order," by Haim Shapiro. I would like to congratulate The Jerusalem Post on this excellent article, as well as the pictures (especially the cover picture). I think it gives your readers a really good insight into one of the sectors of religious life in Jerusalem.

The article is written in a very constructive spirit and I think I express the gratitude of many for such an objective view of Christian life.

Msgr. Dr. RICHARD MATHES,
Jerusalem. *Chargé of the Holy See*

The spectre of the Green Line

MISHA LOUVISH

This, of course, was a political decision. Although Levi Eshkol's government did not claim the entire area west of the Jordan River, and was prepared for territorial compromise as part of a peace settlement, it declared that Israel would not return to the Green Line and would insist on borders which would safeguard the country's security.

The government Bureau of Statistics also obeyed the official ruling. Henceforth, the Green Line did not appear, as such, on the map attached to the annual *Statistical Abstract*. Instead, it showed three new districts: the Golan Heights, Judea and Samaria, and the Gaza Strip and Sinai. However, the western boundaries of "Judea and Samaria," were identical with the Green Line in these areas, although both Samaria (which was an official district under the British Mandatory regime) and Judea had extended in the past far as the Mediterranean. Thus, although these are authentic historical and geographical terms, we apply them today only to those parts of the area east of the theoretically non-existent Green Line.

When we come to the statistical tables, however, things get curiously and curiously. The 1971 edition, for instance, opened its first chapter with Table A/1 which gives both the "Area of the State of Israel" according to the cease-fire lines 1967" and the "Area of Israel according to the armistice border line 1949." These are followed by separate figures for the area according to the armistice

lines and the area of "the administered territories."

This statistical tribute to official policies, however, did not last. Today, Table A/1 no longer gives total area within the 1967 cease-fire lines, but is headed: "Area of Districts, Sub-districts and Natural Regions." It begins with the line "Land Area - Total," defined in a footnote in the 1985 edition as "Area of Israel... according to 1949 armistice lines and international border with Egypt; including East Jerusalem" (for some reason the Golan Heights are ignored in the note, though the area is included among the districts). It is not only a question of footnotes: the book devotes 26 chapters and 696 pages to Israel inside the Green Line, with one chapter and 55 pages for "Judea, Samaria and the Gaza District."

THIS distinction between the area that stretches from the Mediterranean to the Green Line, which we may call for the sake of brevity "Israel proper," and the part of the historic Land of Israel that lies between the Green Line and the River Jordan is not merely a matter of a footnote in the official *Statistical Abstract*: it represents a reality of life and law.

Everyone living in Israel proper, whether Jew or Arab, is subject to Israeli law, as interpreted by the courts, and enjoys the protection of the democratic system. He has a vote in parliamentary and local govern-

ment elections and, therefore, has a voice, through his elected representatives, in all matters affecting his daily life. He can join a political party of his choice and demonstrate in defence of his interests; he is legally entitled to buy a house or rent a room or a flat anywhere in the country, even if Israeli Arabs may encounter difficulties due to social prejudice.

Arabs in Judea, Samaria or Gaza, on the other hand, live under Jordanian or Egyptian law, respectively, modified by military government edicts which they cannot challenge democratically. They cannot form political parties; they have no say whatsoever in the future of the country in which they live. It is 10 years since they were permitted to elect their own local authorities. An Arab on the wrong side of the Green Line cannot even stay the night on the other side without special permission. If an act of violence is committed against Jews, the adjoining area may be placed under curfew; if an Arab is found guilty of a serious security offence, his family's home may be demolished or blocked up.

It may be argued that these measures, or some of them, are justified in order to safeguard Israel's security. However, the point here is that the boundary between "Israel proper" and the area under military government, in which the entire fabric of life is so radically different, is the Green Line, as modified by the ex-

tension of Israeli law to East Jerusalem and the Golan Heights, replaced in the south-west by the international frontier with Egypt. As Moshe Negbi, the Kol Yisrael legal affairs correspondent, showed in a recent programme, the distinction between the two areas has been confirmed by the High Court of Justice.

If the Israeli government has decided, for reasons of policy, not to show the Green Line in official maps, its ruling is binding on its employees, but anyone else is entitled to publish a map indicating any geographical features he pleases. Zivili has an obvious reason for showing the Green Line on a settlement map issued by his department: it marks the bounds of his responsibilities.

All the fuss about the matter is part of a continuing campaign by the right wing to convince the public that their ideology is the only pure Zionism, even at the cost of covering up the plain facts of life in this country. It should not be allowed to pass unchallenged.

There is nothing sacred about the 1949 armistice lines, which, according to the agreements themselves, were not recognized as definitive boundaries. But both Weizmann and Ben-Gurion were prepared to conclude peace with the Arabs, even at the cost of giving up part of the historic Land of Israel, and they should be good enough Zionists for all of us.

Whatever may be the permanent solution of the Arab-Jewish conflict in this country, nothing is gained by hiding our heads in the sand. This is a land of two peoples, each of which has its national interests and its national aspirations. Only if we recognize the facts - geographical, social, political and national - can there be any hope that one day we may reach a peace settlement that will satisfy the legitimate aims and desires of each.

Misha Louvish is a Jerusalem-based translator and writer.

To boost aliya and the economy

Affirmative action required

ELMER WINTER

High priority should be given to an "Israel Entrepreneur Centre." Many Israelis are concerned by a new form of "brain drain" - the emigration of many Israeli engineers and scientists who cannot find capital to start their own high-tech businesses at home. Their need for capital cannot now be satisfied through regular channels. A programme in Israel to provide equity-funding for emerging companies will be risky, but the rewards could be great. Here government funds might be matched by capital from American investors.

THE NEED to boost Israel's economy is underscored by Undersecretary of State for Economic Affairs W. Allen Wallis who predicted recently that Israel might receive \$1 billion less in U.S. assistance next year than this. He further warned that the Gramm-Rudman Law could take another deep slice out of the package the U.S. normally

provides to Israel. The answer lies in affirmative action by American Jews in the form of: buying more Israeli products; expanding investments in Israel; increasing exports from Israel to the U.S.; providing new technology to Israeli companies; encouraging research and development projects in Israel; and stepping up tourism to Israel.

The goal is to help Israel reach \$11 billion in exports by 1990, thus attaining economic independence. To reach that goal, American Jewish individuals and institutions should undertake these projects:

• We need to create a strong consumer interest in buying Israeli products in our retail stores. Too few American Jews have made the commitment to ask for and buy Israeli foods, wines, furniture and apparel on a year-round basis. A nationwide effort is needed to increase imports into the U.S. of such Israeli products. A Shoppers' Guide that lists Israeli products now being sold in

retail stores across the country has recently been published. Every Jewish household should have a copy.

• We need to convince American Jewish executives that it is to their business advantage to raise their corporate flags in Israel. Opportunities exist for American companies to operate profitably in Israel as a result of the broad Free Trade Agreement (FTA) entered into between the U.S. and Israel. We need to tell American manufacturers that by opening a plant in Israel, they can sell the products made in that plant duty-free in Europe and in the U.S. This arrangement - unique in the history of U.S. foreign trade - offers great opportunities for American companies.

• We must promote Israel as a source of supply for U.S. companies. Many American firms are looking for new opportunities to purchase components or entire products abroad. Israel has the manufacturing capacity, skilled manpower, and the duty-free FTA to serve as an ideal centre for manufacturing components or finished products for American companies.

• We need to encourage American, Jewish organizations to become actively involved in the task. Synagogues, federations, women's groups and Zionist organizations should be encouraged to add another dimension to their work - helping to strengthen the economy of Israel. Here the Conference of Presidents of Major American Jewish Organizations, with links to reli-

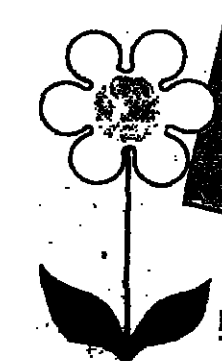
gious and secular bodies, has a key role. Its new chairman, Morris Abram, has said that Israel's economy will be among his highest priorities. But he needs the cooperation of the conference's 40 member organizations, particularly in the task of creating a genuine demand for Israeli products.

• Federations should add an "industrial component" to their Project Renewal programmes. Many of the social problems confronting those in Project Renewal areas if they had jobs. Federations that have generously "adopted" towns and neighbourhoods should work to attract hometown firms to open plants in precisely those areas where they are committed to improving the quality of life. If 50 Project Renewal communities were each able to attract just one hometown firm to open a plant in Israel, the benefit would be substantial - and enduring.

• An "Israel Mutual Fund" giving Americans an opportunity to buy shares in a group of Israeli companies could offer investors the potential for profit and help Israeli companies raise capital. Some 20 Israeli firms are listed on the New York and American Stock Exchanges and over-the-counter, and more are coming. I believe many Americans - Jews and non-Jews - would invest in an Israeli mutual fund that was well managed and offered investors an opportunity to participate in Israel's high-tech and other growing industries.

There is a vast untapped potential to help Israel achieve economic self-reliance. American Jews will commit themselves to affirmative action on behalf of Israel's economy - if only Israel and Jewish communal leadership in the U.S. will show them how.

The writer is chairman of the Committee for Economic Growth of Israel.



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